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SUPPLEMENTAL APPROPRIATION RELIEF, AND WORK RELIEF, FISCAL YEAR 1938

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HEARINGS

BEFORE THE

COMMITTEE ON APPROPRIATIONS
UNITED STATES SENATE

SEVENTY-FIFTH CONGRESS

THIRD SESSION

ON

H. J. Res. 596

A JOINT RESOLUTION MAKING AN ADDITIONAL APPROPRIATION FOR RELIEF PURPOSES

FEB 25 1939

Printed for the use of the Committee on Appropriations

UNITED STATES
GOVERNMENT PRINTING OFFICE
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SUPPLEMENTAL APPROPRIATION, RELIEF AND WORK RELIEF, FISCAL YEAR 1938

Thursday, February 27, 1938.

UNITED STATES SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D. C.

The subcommittee met at 2:30 o'clock p. m., in the committee room, Capitol Building, Hon. Alva B. Adams, presiding.

Present: Senators Adams, Glass, McKellar, Hayden, Overton, Byrnes, Hale, Russell, Townsend, Frazier, and Nye.

Senator ADAMS. The committee will please come to order.

STATEMENTS OF AUBREY WILLIAMS, DEPUTY ADMINISTRATOR, WORKS PROGRESS ADMINISTRATION; CORRINGTON GILL, ASSISTANT ADMINISTRATOR; EMERSON ROSS, DIRECTOR, DIVISION OF RESEARCH, STATISTICS AND RECORDS; AND COL. F. C. HARRINGTON, UNITED STATES ARMY, CHIEF ENGINEER; DANIEL W. BELL, ACTING DIRECTOR, BUREAU OF THE BUDGET, AND B. C. BALDWIN

Senator ADAMS. Mr. Williams, we have before us the House Joint Resolution 596 making appropriation of $250,000,000 for additional relief appropriations for the year ending June 30, 1938, and you being the active head of the Works Progress Administration, we would be glad to have such statement as you might make in connection with it.

Mr. WILLIAMS. Mr. Chairman and Senators, in the absence of Mr. Hopkins, I have prepared a statement which I would like to use as the basis of what I have to say in discussing this measure.

Under the terms of the Emergency Relief Appropriation Act of 1937, a total of $1,743,400,000 was available for obligation during fiscal year 1938 by the several agencies operating under the Works Program, including $1,500,000,000 appropriated in the Emergency Relief Appropriation Act of 1937, $133,700,000 in unobligated balances from prior acts available for transfer and reallocation by the President, and $109,700,000 in unobligated balances from prior acts which were not available for reallocation but continued to be at the disposal of the agencies to which the funds were originally allocated.

The War Department Civil Appropriation Act of 1938 specified that $52,500,000 of these funds should be allocated to the Corps of Engineers to finance flood-control work. This left a net balance of $1,690,900,000 available for allocation by the President during the fiscal year.

Senator ADAMS. Will you give that amount again?

Mr. WILLIAMS. $1,690,900,000.

In accordance with the requirement contained in the Emergency Relief Appropriation Act of 1937 that these funds be so apportioned and distributed over the fiscal year ending June 30, 1938, as to constitute the total amount that would be furnished during such year for relief and work relief, the President on July 1, 1937 apportioned the available funds among the Works Program agencies, setting up limitations on the total amounts that could be obligated during the four quarters of the fiscal year. There has been set aside $1,300,000,000 for the Works Progress Administration and the National Youth Administration; $134,300,900 is earmarked for the Farm Security Administration, and $214,400,000 is apportioned to other Federal agencies operating under the Works Program, leaving a reserve of $42,200,000 available for contingencies and emergency situations. The Bureau of the Budget has indicated that it is intended to increase the allocation to the Farm Security Administration by $30,000,000 to provide additional loans and direct relief for families in extreme need in rural areas. Accordingly, all of the available funds, excepting some $12,200,000, have been earmarked or set aside for specific purposes.

Senator McKellar. What was that amount?

Mr. Williams. All but $12,200,000.

Senator McKellar. Oh, yes.

Senator Townsend. Have you a break-down as to what portion has actually been spent?

Mr. Williams. Yes, sir.

Senator Townsend. Does that follow?

Mr. Williams. Yes, sir.

Senator Townsend. All right; thank you.

Mr. Williams. Out of the total of $1,690,900,000 available for the Works Program during the fiscal year, $776,300,000 had been obligated by December 31, 1937, leaving a total balance of $914,600,000 available for obligation during the last half of the fiscal year.

A definite schedule of expenditures for the W. P. A. over the fiscal year was authorized by the President on July 1, 1937, when he set aside $1,300,000,000 for the W. P. A. and N. Y. A. This schedule was determined by several considerations.

First, it was to remain within the limits of the appropriation. As a safeguard, an immediate reduction in the W. P. A. rolls was instituted, although it was hoped at that time that expanding business activity and private employment would continue and that the W. P. A. rolls would decline naturally in sufficient numbers over the fiscal year in accordance with the recovery trend to avoid arbitrary lay-offs from projects. This reduction, amounting to 350,000 persons, was spread over a three-month period, from July through September, to avoid leaving so many workers destitute at one time and flooding local labor markets before jobs actually became available.

Second, provision was made for adjustment of employment during the winter in anticipation of possible seasonal increases in relief needs.

In view of these considerations $350,000,000 was authorized for expenditure in the first quarter of the fiscal year and $300,000,000 in the second and we were able to remain within these limitations.

Senator Hale. Did you spend about that or more than $650,000,000 for the first two quarters?

Mr. Williams. On December 31, 1937, a total of $635,000,000 had been obligated on the programs of the Works Progress Administration and National Youth Administration. During the month of January, additional obligations totaling $120,000,000 were incurred, leaving an unobligated balance of the apportioned funds amounting to $545,000,000 available to the W. P. A. and N. Y. A. on February 1, 1938. $24,000,000 of this balance will be used to carry the National Youth Administration through June 30, 1938, and $28,000,000 has been set aside for administrative and project supervisory expenses, leaving a net of $493,000,000 for W. P. A. work projects. With the funds available, employment on W. P. A. projects could average approximately 1,700,000 workers per month from January 1 through June 30, 1938. On February 5, employment had increased from the low point of 1,450,000, in October to 1,945,000 persons, in accordance with our original plan to take care of the increase in need during the winter, insofar as was possible with the $1,300,000,000 available. However, immediate reductions in employment will be necessary if additional funds are not appropriated. It will be necessary to reduce employment to 1,800,000 in March; to 1,600,000 in April; to 1,530,000 in May; and to 1,500,000 in June.

Senator Hale. And with those figures you would still be within the amount allowed by you in the appropriation?

Mr. Williams. Yes. The proposed appropriation of $250,000,000 additional funds for the W. P. A. would permit an increase in employment to 2,500,000 in March. The schedule of employment, after reaching 2,500,000 in March, calls for a reduction of approximately 100,000 persons a month until the end of the fiscal year which would bring employment to 2,200,000 in June. This money will be spent on the same types of project that the W. P. A. has been operating. The accomplishments on these projects are impressive.

Senator Hale. The figures that you estimate are 200,000 higher than you expected in the original allocation are they not?

Mr. Williams. Employment would have to be reduced by 200,000 in March, that is 200,000 below the number of people that we now have employed.

Senator Hale. Yes; but you will employ more than you expected to for that particular month, will you not?

Mr. Williams. Well, we are not in March yet. We have not employed more than we expected to in February. We are within our schedule.

Senator Hale. Then you did not expect the figure to go up to 2,000,000?

Mr. Williams. In February?

Senator Hale. In February.

Mr. Williams. That is right.

Senator Hale. Originally, you expected that?

Mr. Williams. Yes, sir; and we expect it to come down by the original schedule to 1,800,000 in March. This new money will permit us to increase the number to 2,500,000, but it will require that we institute reductions after that—amounting to 100,000 each month until by June we will be down to 2,200,000 persons.

Senator Hale. Which would still be 700,000 more than you anticipated?

Mr. Williams. Yes, sir. Spread over those months, the schedule is 700,000 above what we otherwise could do.

Now, Mr. Chairman, I would like to put in the record a list of some of the things that have been done with the W. P. A. money. I shall

not take the time of the committee to review that now, but I would be very glad to put them in the record.

Senator ADAMS. Yes, sir; the reporter will take them.

(The material referred to is as follows:)

PHYSICAL ACCOMPLISHMENTS ON W. P. A. PROJECTS

Although recognition has been given to the fact that the work done on W. P. A projects has made great additions to the national wealth, the tremendous extent of the project accomplishments is difficult to visualize and not generally known. However, the preliminary results of an inventory of accomplishment covering the 150,000 W. P. A. projects operated from the beginning of the program up to October 1, 1937, is now available and is summarized below.

Road work since the beginning has been an important element in the W. P. A. program. Over 146,000 miles of roads and streets have been improved. A large portion of this mileage represents work on secondary roads in rural areas, often referred to as farm-to-markets road. In addition, almost 44,000 miles of new roads—roads which either did not exist previously or existed only as roads of a lower structural type—had been built by October 1937. Farm-to-market roads also constituted the largest proportion of the new roads, although much work was done on city streets. Other work completed in connection with the W. P. A highway program included more than 19,000 new bridges totaling some 612,000 feet in length and the repair or improvement of 13,000 others; the construction or repair of some 7,600 miles of sidewalks and paths, 4,800 miles of curbing, 1,700 miles of gutters, and almost 800 miles of guardrails and guardwalls; and the installation of 183,000 culverts with a total length of more than 4,900,000 feet and improvement of 30,000 others totaling 774,000 feet. Roadside work completed included 39,000 miles of landscaping, and roadside drainage work involving 11,500 miles of new ditches and the clearing and improvement of almost 32,000 miles of existing ditches.

W. P. A. work on public buildings also has been extensive, having been completed on about 43,000 different structures by the beginning of last October. This figure includes 11,000 new buildings, almost 31,000 buildings on which repairs or improvements were made, and over 1,100 additions to existing buildings, such as the addition of a gymnasium to a school building. Schools were outstanding among the buildings repaired, numbering some 16,000. In addition, 1,600 new schools were built. The most frequent new construction work, however, involved recreational buildings. More than 3,700 of these—stadiums, grandstands, gymnasiums, auditoriums, pavilions, bathhouses, etc.—had been completed by October 1937. Work was also done on a large number of other public buildings such as courthouses, hospitals, dormitories, garages, firehouses, aircraft, hangars, warehouses, and armories.

Recreational facilities, other than the buildings already mentioned, that have been constructed or improved through W. P. A. projects make a great contribution not only to the national wealth, but also to the health and well-being of the population. These included some 2,500 athletic fields, about 4,700 playgrounds (most of them connected with schools), and hundreds of swimming pools, wading pools, tennis, handball and horseshoe courts, golf courses, skating rinks, ski jumps, and similar facilities. More than 3,600 parks also have been built or improved.

Residents of many localities have become aware of W. P. A. project accomplishments through the improvement of local sanitation and the extension of water supply. Work to improve and extend water-supply systems has included the installation of nearly 3,900 miles of new water mains and distribution lines with 108,000 consumer connections and the repair of 1,400 miles of existing mains with over 154,000 connections; completion of 1,150 new storage tanks, reservoirs, and cisterns, and repair of 300 others, with a total capacity measured in billions of gallons; and construction and improvement of thousands of storage dams and wells. Under the heading of sanitation work is recorded the completion of about 5,700 miles of new sanitary or storm sewers with 145,000 service connections and the repair of another 1,600 miles having about 20,000 connections, and also the construction or repair of 216,000 manholes and catch basins, some 790,000 sanitary toilets, most of which were newly constructed, 33,000 cesspools, and 3,500 septic tanks. In addition, several hundred treatment plants (other than cesspools and septic tanks) and pumping stations have been completed. The sealing of thousands of mine openings, drainage of hundreds of thousands of acres for mosquito control and for other purposes also contribute to the improvement of sanitation and public health.

Too extensive to mention in any detail has been the work completed in the many other fields indicated in summary in the table. These range from the construction or improvement of several hundred airports and the building of hundreds of thousands of feet of new runways, to the improvement of river, stream, and shore lines thousands of miles in length; from fire towers to fish hatcheries; and from the establishment of bird and game sanctuaries to the destruction of rodents and eradication of noxious plants.

The work done by the thousands of workers on various types of white-collar and women's projects may be described in terms of the millions of garments for men, women, and children produced in sewing rooms to be distributed through public relief agencies to the needy; millions of school lunches served to undernourished children; thousands of branch and traveling libraries established; millions of books repaired; millions of records indexed or tabulated; hundreds of clinics conducted; or thousands of pictures, etchings, and other art works produced, and the thousands of theatrical and musical performances given. This summary does not cover the projects operated by other Federal agencies under the Works Program. It likewise does not include a vast amount of similar work completed under the earlier programs of the C. W. A. and F. E. R. A.

TABLE 1.—*Physical accomplishment on Works Progress Administration projects through Oct. 1, 1937*

UNITED STATES SUMMARY

[Preliminary, subject to revision]

Type	Unit of measurement	Number or amount		
		New construction	Repairs and improvements	Additions
Public buildings, total	Number	11,106	30,542	1,172
Educational buildings, total	do	1,634	16,421	574
Schools	do	1,574	16,003	551
Libraries	do	60	418	23
Recreational buildings, total	do	3,722	2,033	203
Auditoriums	do	160	148	37
Stadiums, grandstands, etc	do	660	220	35
Gymnasiums	do	323	201	80
Other (pavilian, bath houses, etc)	do	2,579	1,464	51
Institutional buildings, total	do	262	2,270	58
Hospitals	do	99	934	33
Penal institutions	do	68	228	12
Other	do	95	1,108	13
Courthouses, offices, and other administrative buildings	do	537	2,263	106
Dormitories	do	300	597	13
Fire houses	do	112	1,013	16
Garages	do	670	406	56
Aircraft hangars	do	60	65	2
Warehouses	do	546	700	31
Armories	do	115	174	----
Other buildings and small structures (such as bus and street-car shelters)	do	3,148	4,600	113
Demolition of buildings	do	----	6,141	----

TABLE 1.—*Physical accomplishment on Works Progress Administration projects through Oct. 1, 1937*—Continued

Type	Unit of measurement	Number or amount	
		New construction	Repairs and improvements
Highways, roads, streets, and related facilities:			
Highways, roads, and streets, total	Miles	43,870	146,901
Rural primary roads, total	do	6,691	15,337
Paved	do	2,211	1,899
Unpaved	do	4,750	13,438
Rural secondary roads, total	do	29,742	115,703
Paved	do	1,903	1,775
Unpaved	do	27,839	113,928
Urban, total	do	6,319	14,848
Paved	do	3,848	4,270
Unpaved	do	2,471	10,578
Other (parks, cemeteries, etc.), total	do	848	1,013
Paved	do	217	191
Unpaved	do	631	822
Road shoulders (not included above)	do	2,861	18,722
Bridges, total	Number	19,272	13,166
	Length in feet	612,521	520,665
Wood	Number	14,150	7,609
	Length in feet	409,452	218,669
Steel	Number	1,355	4,324
	Length in feet	81,684	255,595
Masonry	Number	3,767	1,233
	Length in feet	121,385	46,401
Culverts	Number	183,084	30,061
	Length in feet	4,902,451	774,031
Grade-crossing elimination	Number of eliminations.	34	
Sidewalk and paths, total	Miles	4,581	3,003
Paved	do	3,596	2,117
Unpaved	do	985	886
Curbs	Length in miles	3,938	917
Gutters	do	1,384	310
Guardrails and guardwalls	do	584	231
Lights for roads and streets	Number	8,123	34,417
	Miles of road equipped	180	1,210
Roadside drainage	Linear feet of ditch	60,846,092	167,756,154
Do	Linear feet of pipe	4,238,834	1,137,815
Roadside landscaping	Miles		38,685
Street signs	Linear feet line painted	12,495,773	
Do	Number signs made	769,924	
Do	Number signs erected	320,352	
Removal of car and railroad track	Miles of single line track.		404
Airports and airway equipment (excluding buildings):			
Landing fields	Number	105	109
Do	Acres	14,348	15,070
Runways	Length in feet	852,534	244,676
Air beacons	Number	30	2
Air markers	do	8,357	
Recreational facilities (excluding buildings):			
Athletic fields	Number	1,335	1,234
Do	Acres	7,213	9,702
Additions to athletic fields	Number	9	
Do	Acres	56	
Parks	Number	770	2,866
Do	Acres	22,072	158,193
Additions to parks	Number	83	
Do	Acres	1,107	
Fair grounds	Number	15	90
Do	Acres	211	4,305
Playgrounds, total	Number	1,107	3,583

TABLE 1.—*Physical accomplishment on Works Progress Administration projects through Oct. 1, 1937*—Continued

Type	Unit of measurement	Number or amount	
		New construction	Repairs and improvements
School	Number	599	2,906
Other	do	508	677
Swimming pools	do	387	128
Do	Surface area in square feet.	6,600,362	2,584,650
Wading pools	Number	1,496	45
Do	Surface area in square feet.	959,160	129,800
Golf courses	Number	103	167
Do	Number of holes	1,143	2,232
Do	Acres	7,265	16,899
Tennis courts	Number	3,076	1,094
Handball courts	do	536	35
Horseshoe courts	do	636	59
Ice-skating rinks	do	691	155
Do	Surface area in square feet.	32,692,512	10,351,490
Ski jumps	Number	25	3
Ski trails	Miles	25	31
Outdoor theaters	Number	40	10
Band shells	do	72	24
Water supply, sanitation and drainage systems:			
Water mains, aqueducts, and distribution lines	Miles	3,865	1,382
Do	Number of consumer connections.	107,634	154,152
Storage tanks, reservoirs, and cisterns	Number	1,150	298
Do	Gallons capacity	1,788,052,000	2,402,878,100
Storage dams	Number	3,330	233
Wells	do	1,526	1,271
Treatment plants (excluding cess pools and septic tanks):			
Sewage	do	228	131
Water	do	51	55
Garbage incinerators	do	24	22
Pumping stations	do	229	86
Storm and sanitary sewers	Miles	5,692	1,624
Do	Number of service connections.	144,725	19,904
Manholes and catch basins	Number	142,898	72,784
Sanitary toilets	do	779,587	10,943
Cess pools	do	33,484	
Septic tanks	do	3,532	
Mine sealing	Number of mines	7,523	
	Number of openings	66,750	
Mosquito control	Linear feet of ditch	26,820,125	17,504,776
Do	Acres drained	835,950	455,038
Do	Gallons of spray used	1,184,319	
Drainage (other than roadside and mosquito eradication).	Linear feet of ditch	5,060,152	31,264,607
Do	Linear feet of pipe	3,059,345	377,436
Do	Acres drained	807,452	5,335,587
Flood and erosion control, navigation aids, irrigation:			
Docks, wharves, and piers	Number	81	126
Do	Feet of useable waterfront.	32,478	121,023
Do	Area in square feet	1,332,802	7,521,100
Jetties and breakwaters	Number	411	37
Do	Length in feet	59,719	4,367
Do	Cubic yards placed	154,964	70,173
Bulkheads	Linear feet	243,190	67,218
Canals and channels	Miles	44	109
River bank improvements	do		1,396
Stream bed improvements	do		2,974
Dredging (other than channels)	Cubic yards of material dredged.	9,656,574	
Dams (other than storage and power)	Number	15,855	145
Riprap (other than river bank)	Square yards surfaced	3,376,950	351,505
Retaining walls and revetments	Number	9,347	1,029
Do	Linear feet	1,985,873	166,614
Levees and embankments	do	815,610	1,532,956
Do	Cubic yards placed	9,164,621	6,903,296
Irrigation	Acres	193,918	1,283,314
Do	Miles of flume or canal	230	2,453

TABLE 1.—*Physical accomplishment on Works Progress Administration projects through Oct. 1, 1937*—Continued

Type	Unit of measurement	Number or amount	
		New construction	Repairs and improvements
Electric and communication utilities:			
Power houses	Number	16	34
Do	Kilowatt capacity	11,488	137,947
Transmission lines (electric)	Miles	121	44
Power distribution lines	do	236	128
Do	Number of consumer connections.	6,257	1,646
Telephone and telegraph lines	Miles	821	647
Police and fire-alarm signals	Number of boxes and signals.	23,570	
Do	Linear feet of line strung.	3,063,702	
Grounds improvements:			
Landscaping around public buildings	Number of buildings		7,572
Do	Acres		18,692
Miscellaneous landscaping	do		2,765
Do	Number of plants and trees.		1,561,200
Lighting airports, parking lots, athletic fields, etc.	Number of places lighted.	245	20
Do	Acres lighted	4,690	2,065
Fountains and ornamental pools	Number	163	19
Fencing	Miles	4,251	6,291
Cemetery improvements	Acres		2,660
Miscellaneous:			
Car and railroad track	Miles of single-line track.	14	209
Boats and ships	Number	345	449
Fire observation towers	do	30	6
Paving (other than roads, walks, or runways)	Square yards hard surface.	3,014,722	694,278
Do	Square yards other surface.	3,498,741	1,475,287
Tunnels:			
Vehicular	Number	7	4
Do	Length in feet	759	971
Pedestrian	Number	46	12
Do	Length in feet	10,518	2,803
Other	Number	279	19
Do	Length in feet	78,257	8,154
Fish hatcheries	Number	134	74
Do	Annual fingerling capacity.	308,154,800	168,663,000
Monuments and historic markers	Number	319	93
Gas lines (distribution and transmission)	Linear feet	386,468	188,504
Do	Number of consumer connections.	1,326	5,357
Oil and other pipe lines	Linear feet	39,885	8,863

Type	Unit of measurement	Number or amount
Conservation activities (not elsewhere classified):		
Reforestation	Acres	21,131
Do	Number of trees planted	9,789,184
Firebreaks	Miles	1,196
Fire and forest trails	do	2,481
Plant and tree nurseries	Number of nurseries	115
Do	Number of plants or trees planted	9,485,158
Tree surgery	Number of trees trimmed	1,175,857
Do	Number of trees removed	261,586
Bird and game sanctuaries	Number of sanctuaries established	825
Noxious plant eradication	Acres	3,601,177
Spray treatments, disease, and insect pest eradication (except mosquito control).	Acres sprayed	639,159
Do	Gallons of spray used	11,256,776
Do	Tons of poisoned food used	6,097
Rodents destroyed	Number	24,099,607
Planting oysters	Acres of bed prepared	61,813
Do	Bushels planted	1,801,350
Food and fuel distribution:		
Milk	Number of quarts	67,460,877
Foodstuffs (not elsewhere classified)	Number of pounds	512,793,422
Wood	Number of cords	382,253

TABLE 1.—*Physical accomplishment on Works Progress Administration projects through Oct. 1, 1937*—Continued

Type	Unit of measurement	Number or amount
Work in libraries:		
New branch libraries	Number established	2,305
New traveling libraries	do	5,824
Reading rooms in existing libraries	do	3,479
Cataloging for esisting libraries	Number of volumes cataloged	18,272,529
Renovation of books, total	Number	29,855,417
Public school volumes	do	10,282,884
Public library volumes	do	13,973,211
Other volumes	do	5,599,322
Sewing rooms:		
Units operated	do	10,259
Articles made, total	do	108,427,938
Garments, total	do	85,646,651
Men's	do	15,327,455
Women's	do	21,809,403
Boys'	do	14,540,156
Girls'	do	19,560,571
Infants'	do	14,409,066
Other articles	do	22,781,287
Canning and preserving	Net pounds	24,026,581
School lunches served	Number	128,057,654
Medical, dental, and nursing assistance:		
Dental clinics conducted	Number of clinics	272
Do	Number of persons examined	183,157
Do	Number of persons treated	40,733
Medical clinics conducted	Number of clinics	1,382
Do	Number of persons examined	1,172,216
Do	Number of persons treated	560,810
Medical and dental clinics assisted	Number of clinics	624
Medical examinations other than at clinics	Number of adults examined	194,157
Do	Number of children examined	938,514
Nursing visits	Number of group inspections made.	114,239
Do	Number of persons inspected	1,513,219
Do	Number of home visits made	2,093,182
Nursing aid to clinics	Number of Works Progress Administration nurses assisting.	2,349
Nursing aid at immunizations	Number of immunizations	550,749
Art:		
Art classes	Average monthly attendance	55,231
Drawings, easel paintings, murals, and sculptured works.	Number	54,244
Etchings, lithographs, woodblocks, etc	Number of originals	3,519
	Number of prints	21,341
Posters	Number of originals	21,966
	Number of reproductions	420,370
Arts and crafts	Number of objects	39,692
Index of American design plates	Number of plates made	7,011
Stage sets, dioramas, and models for visual education	Number	822
Music:		
Music classes	Average monthly attendance	140,321
Musical performances	Average number per month	4,549
Do	Average monthly attendance	3,107,345
Theater:		
Theatrical productions	Number	1,501
Theatrical performances	Average number per month	2,833
Do	Average monthly attendance	1,043,478
Writing	Number of books and pamphlets written.	116
Do	Number of copies distributed	401,928
Historical surveys:		
Historic American Building Survey	Number of structures measured	2,302
Do	Number of drawings made	16,244
Do	Number of photographs made	17,480
Historic American Merchant Marine Survey	Number of vessels surveyed	270
Do	Number of drawings made	677
Do	Number of photographs made	545
Historic Records Survey	Number of counties whose records have been listed.	2,021
Do	Number of county inventories published.	50
Do	Number of towns whose records have been listed.	1,040
Do	Number of churches whose records have been listed.	40,453

TABLE 1.—*Physical accomplishment on Works Progress Administration projects through Oct. 1, 1937*—Continued

Type	Unit of measurement	Number or amount
Federal Archives survey	Number of agencies whose records were surveyed.	28, 792
Do	Linear feet of files surveyed	4, 876, 461
Planning surveys conducted	Number of national scope	10
Do	Number of State-wide scope	121
Do	Number of regional scope	33
Do	Number of county-wide scope	148
Do	Number of municipal scope	134
Research and statistical studies conducted:	Number of national scope	30
Do	Number of State-wide scope	339
Do	Number of regional scope	34
Do	Number of county-wide scope	240
Do	Number of municipal scope	403
Do	Number of other studies	128
Engineering surveys	Square miles of mapping survey	75, 597
Do	Miles of line survey	60, 191
Do	Number of permanent markets set	57, 883
Maps	Number of maps drawn	70, 907
Indexing and cataloging	Number of items indexed or cataloged.	256, 306, 118
Braille	Number of blind persons employed.	257
Do	Number of Braille pages transcribed.	1, 146, 913
Do	Number of Braille maps made	40, 635
Housekeeping aides	Number of visits made	3, 473, 472
Do	Number of families aided	517, 945
Assistants in nursery schools	Number provided	708
Museum activities	Number of articles constructed or renovated.	3, 269, 496
Do	Number of articles cataloged	5, 075, 685
Education (month of October 1937), total	Number of classes	100, 145
Do	Number of enrollees	1, 144, 689
Literacy	Number of classes	17, 195
Do	Number of enrollees	192, 481
Vocational	Number of classes	10, 596
Do	Number of enrollees	159, 430
Avocational and leisure time	Number of classes	10, 978
Do	Number of enrollees	138, 226
Parent and homemaking	Number of classes	10, 019
Do	Number of enrollees	136, 379
College level and correspondence	Number of classes	1, 899
Do	Number of enrollees	29, 609
Public affairs	Number of classes	1, 555
Do	Number of enrollees	27, 249
Workers	Number of classes	1, 000
Do	Number of enrollees	29, 726
General adult	Number of classes	20, 259
Do	Number of enrollees	271, 308
Nursery schools	Number of classes	1, 481
Do	Number of enrollees	40, 243
Other	Number of classes	24, 563
Do	Number of enrollees	120, 038
Recreation:		
Community centers operated	Number	9, 068
Community centers assisted	do	6, 220
Public participation in recreational activities (week ending Aug. 28, 1937:		
Physical recreation	Number of participant hours	11, 428, 857
Social recreation	do	2, 471, 797
Cultural recreation	do	2, 285, 304
Therapeutic recreation	do	134, 253
Miscellaneous:		
Archeological excavations	Number of articles found	207, 348
Gardening	Number of gardens	21, 521
Do	Acres	5, 987
Shoe repair	Number of pairs	588, 688
Furniture repair	Number of articles	716, 179

When the $1,500,000,000 appropriation was made it was hoped that private employment would continue as a fairly high level, but the sharp increase in unemployment and the rise in relief needs in recent months has changed the picture. Before the present slump, the

country experienced one of its most rapid recovery movements. During the closing months of 1936 and extending through the middle of 1937 business activity surged ahead rapidly. From the early part of 1936 industrial production increased 30 percent to the end of the year. These gains were well sustained during the first half of 1937. Employment rose during this period, with an increase of 3,047,000 workers from March 1936 to September 1937.

Senator ADAMS. Do you mind an interruption there?

Mr. WILLIAMS. No, sir.

Senator ADAMS. Do you have in mind an approximation as to the employment conditions during this period from what it was back in 1928 and 1929?

Mr. WILLIAMS. I don't quite understand the question, Senator.

Senator ADAMS. You had an increase in employment of some 3,000,000 people during this period and at the peak of that how did the employment situation compare with the condition we had in 1928 and 1929?

Mr. WILLIAMS. Well, I couldn't give you exact figures on that, Mr. Ross, do you want to answer that specifically?

Mr. Ross. Estimating, of course, in terms of employment, I believe there has been an increase in excess of 9,000,000 from the low point of the depression to the peak of this current recovery. It never, however, came back to the high point in 1929.

Senator HALE. At what figure do you estimate unemployment at the present time?

Mr. Ross. Practically 11,000,000 at the present time.

Senator HALE. Practically 11,000,000 at the present time. And it was 8,000,000 in November, is that correct?

Mr. Ross. Well, the estimates vary, of course. Mr. Biggers' census showed 11,000,000.

Senator HALE. Yes; but you say 3,000,000 have gone out of work since November 1. Therefore, if there were 8,000,000 then, now there must be 11,000,000, a substantial increase.

Mr. WILLIAMS. They are estimates of course.

Senator HALE. Are not those figures lower than those generally given out?

Mr. WILLIAMS. Well, the American Federation of Labor and others have estimated approximately that number.

Senator HALE. Practically what number at that time?

Mr. WILLIAMS. Around 8,000,000 in October and November.

Senator TOWNSEND. Mr. Biggers' estimate, however, was larger than that, was it not?

Mr. Ross. Yes; after he corrected for the number who had not registered; it was approximately 11,000,000 in November.

Mr. WILLIAMS. Senator Adams, did we get the import of your question?

Senator ADAMS. To invert it in terms of unemployment, what was the relative proportion of the American working population unemployed after this 3,000,000 increase with the proportion of unemployment in 1928 and 1929?

Mr. WILLIAMS. Well, a more valid basis for comparing years is to take the year 1937 as compared with 1932 or 1933. That is a more valid basis of comparison.

Now, early in 1933, we estimate there were between fifteen and sixteen million unemployed people. That was reduced by 1937 to something around 8,000,000. The important thing for us here, however, is that last summer we were anticipating a continued rise in employment and had felt that we could get along on $1,500,000,000 during the past year.

Senator ADAMS. Do you have an estimate as to the number of unemployed in 1928 and 1929?

Mr. WILLIAMS. Well, we have varying estimates.

Senator ADAMS. Of course, you have that as to every unit?

Mr. ROSS. In 1929, the estimate was roughly 2,000,000 average for the year.

Senator HAYDEN. I remember some testimony, Mr. Chairman, by Mr. Green in 1929 when he asserted then that there were two and a half million unemployed in the United States.

Senator GLASS. Is it not all conjecture? We don't know a thing in the world about it; it is simply all conjecture.

Mr. WILLIAMS. At that time, Senator, that is very true. The only accurate studies that were made at that time were made out in Minneapolis by Mr. Hanson, and he estimated there were more unemployed people in Minneapolis at that time and also more employed people at that time, December 1, 1928, than at any other time in its history. That was an accurate count and it was one of the few accurate counts that was made with regard to unemployment.

Senator BYRNES. Before the unemployment committee we had considerable testimony from the Bureau of Labor Statistics, from Mr. Biggars, from National Industrial Conference Board, and one or two other sources, and we could not get an agreement. Therefore, what the Senator from Virginia says is pretty nearly correct. There necessarily must be considerable guessing and it depends entirely upon whom you consider unemployed, the definition, and so forth, and it is a very difficult thing to arrive at.

Mr. WILLIAMS. If that is all on that point I shall resume my statement. Factory pay rolls reflected this improvement in business, increasing 41 percent. Dividend payments poured out to stock owners during 1936 and earnings remained at high levels throughout the first three quarters of 1937. National income increased through 1936 and continued rising during the first half of 1937. Price levels advanced rapidly through the first quarter of 1937, a fact which accounted in part for the general expansion. Recovery was stimulated by public expenditures during this period.

Senator HALE. What was your basis for dropping numbers at that time? You said there were 8,000,000 unemployed in the country.

Mr. WILLIAMS. Not all of the unemployed workers are in need of public relief, the total number in need however tends to decline when unemployment decreases.

Senator HALE. That is, you do not expect then to give work relief to all the unemployed? You simply pick out certain ones.

Mr. WILLIAMS. We take the most needy; those people who come through the relief agencies and are in need; they are the ones that we have employed.

Senator BYRNES. Every unemployed man is not in need; every unemployed man does not ask for a job.

Mr. WILLIAMS. No, sir.

Senator HALE. But at the time this was done there were some of these employables who were unemployed—who were receiving relief help in the States?

Mr. WILLIAMS. Yes; the States and localities have provided for some employables.

Senator HALE. So you did not attempt to deal with them all? You simply picked out as many as you thought you could take care of?

Mr. WILLIAMS. With the funds now available the W. P. A. has not been able to give employment to all eligible families in need.

Senator HALE. What?

Mr. WILLIAMS. The W. P. A. is not now able to give employment to all employable cases.

Senator HALE. But you give it to families who get assistance from other sources?

Mr. WILLIAMS. No; not if the assistance that they receive is equal to the minimum relief standard of the certifying agency in the community.

Senator HALE. But you give aid to families some of whom are in the C. C. C., do you not?

Mr. WILLIAMS. The employment of the head of the family on the W. P. A. does not preclude the enrollment of a member of the family in the C. C. C. The local relief agencies which certify as to the need of the families of W. P. A. workers take into account all the resources available to the families.

Senator HALE. And also some more in the Youth Administration; do you not?

Mr. WILLIAMS. Yes, sir; in the Youth Administration.

Senator HALE. Now then, when you do give help to those people who have help from these two organizations, you give so much less help on account of their receiving help from the other organizations?

Mr. WILLIAMS. No; W. P. A. workers are not paid on a budgetary basis, they are paid on a monthly security wage basis.

Senator HALE. So some of your people may be getting help from you and help from their families from the C. C. C. and also the National Youth Administration?

Mr. WILLIAMS. It would be very seldom that a family would get aid from the three sources. They might get it from two; they might get it from the N. Y. A. and W. P. A., but only if they were in need.

Senator HALE. You mean you have specifically a rule that they can get help from two?

Mr. WILLIAMS. They are not supposed——

Senator HALE. I know they are not supposed, but you might inquire and find out if they do not. Do you say that in no case they get help from both of these other agencies when they get help from the W. P. A.?

Mr. WILLIAMS. If a young person in a family is getting C. C. C. aid, we don't take any person out of that family for N. Y. A. work. It would be against our rules to do that.

Senator HALE. If they were getting help from the C. C. C.?

Mr. WILLIAMS. Yes.

Senator HALE. And so you have many cases where they do get help from the C. C. C.?

Mr. WILLIAMS. That might happen in the high school aid program. That would be the only possible place where a student could get

three or four dollars a month in addition to the C. C. C. earnings of another member.

Senator HALE. But you might give the father employment?

Mr. WILLIAMS. Yes.

Senator HALE. And then a member of the family is also getting this help from outside?

Mr. WILLIAMS. Yes.

Senator HALE. Then they may be getting it from both agencies outside?

Mr. WILLIAMS. No; they only get it from one and W. P. A.

Senator HALE. Then you do have a rule that you allow one but do not allow two?

Mr. WILLIAMS. It works out that way.

Senator HALE. So you do make inquiry as to whether they are getting other assistance?

Mr. WILLIAMS. Oh, yes. These people, before they ever get a job from us, have to go through the relief agencies.

Senator HALE. Do you make any inquiry as to whether they are also getting help under the Social Security Act—unemployment insurance, for instance?

Mr. WILLIAMS. The relief agencies have case records and every dollar that comes into the family is known.

Senator HALE. Do any of those that you employ get help from unemployment insurance?

Mr. WILLIAMS. Well, Mr. Altmeyer is here and he is going to speak on that shortly. Do you want to leave that until he talks or do you want me to answer it?

Senator HALE. No; from your point of view.

Mr. WILLIAMS. Well, from our point of view, we have a very clear understanding on unemployment compensation that when anyone is eligible he is expected and required to make application, and when he receives that benefit he leaves W. P. A. and takes his benefit under employment insurance.

In old-age assistance, we also require that they go off and take old-age assistance except, Senator, in some few States where the assistance is very low that we have made exceptions where they insist on their right to work.

Senator HALE. And in such cases you deduct from what you would pay them under the W. P. A. on account of their receiving help from these other sources?

Mr. WILLIAMS. No. In these instances, there would be only three or four dollars a month from this old-age assistance, and that doesn't amount to much.

Senator HALE. Very few receive old age pensions as low as three or four dollars a month?

Mr. WILLIAMS. In some of the States that is the sum that they receive.

Senator HALE. Yes; but very few. What if they received $30—$15 from the State and $15 from the Federal Government?

Mr. WILLIAMS. Then they are not kept on the W. P. A. rolls.

Senator HALE. Out?

Mr. WILLIAMS. Absolutely; there are practically none that are receiving old-age assistance and also getting W. P. A. work.

Senator ADAMS. You or Mr. Altmeyer could inquire as to how many many people are off your rolls by reason of unemployment insurance and old-age insurance and who would otherwise be on your rolls.

Mr. WILLIAMS. I think you would do better to let Mr. Altmeyer go into that fully because he has the whole statement right there.

Senator BYRNES. The question does come up with W. P. A. in this way: The people who are certified to W. P. A. are certified by an organization within the State and that organization determines whether or not the individual is in need?

Mr. WILLIAMS. Yes, sir.

Senator BYRNES. If the organization within the States after investigation of the individual concludes that the cost of unemployment insurance would not be certified, then you would never get it?

Mr. WILLIAMS. No, sir.

Senator BYRNES. But when it comes to you and if you give a man a job, you can't fix a different wage for an individual because he happens to be getting unemployment insurance?

Mr. WILLIAMS. No, Senator, W. P. A. workers are paid in accordance with the work they perform. But we wouldn't let a worker stay on our rolls if he were eligible for unemployment insurance even though that insurance paid him only $8 or $9 per month, as it does in many instances.

Senator BYRNES. The skilled worker who is a man certainly in the unemployment insurance would not get so much as he would get under this security wage job or the W. P. A.?

Mr. WILLIAMS. That is right, but we require that he leave our pay roll and take that insurance. I want to qualify that to this extent: Until the unemployment insurance machinery is working, we will not force those people out, but wherever the machinery is working, they must go and take their insurance.

Senator BYRNES. Up to this time you have not got rid of many many because they have not been paying anything?

Mr. WILLIAMS. No.

Senator HALE. There are about 400,000 now receiving unemployment insurance.

Mr. WILLIAMS. Mr. Altmeyer can answer that better than I.

Senator TOWNSEND. Mr. Williams, let me ask you a question: What are the variations in what they receive?

Mr. WILLIAMS. Well, I would rather leave that to Mr. Altmeyer, if you don't mind.

I will go ahead with my statement. In 1936 the Federal Government spent over $4,000,000,000 more than it withdrew in revenues. This included the bonus payment. In 1937 the net execss of expenditures over revenues declined to $867,000,000.

In keeping with this general upturn in business, W. P. A. rolls were reduced from a peak of over 3,000,000 in February 1936 to about 2,000,000 in May 1937. By September 1937 another 600,000 workers had been dropped, bringing the total employed to 1,450,000. In June the E. R. A. Act of 1937 was passed, appropriating $1,500,000,000 which was 25 percent below the previous year. Due to this smaller appropriation and to the provision that the money be used over the year, and to the fact that we were trying to synchronize W. P. A. employment with private employment, it was necessary to make this sharp reduction in W. P. A. employment.

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The rapidly expanding business situation was stopped abruptly in the latter part of 1937. Industrial production from August to December declined almost 30 percent. Further declines were registered during January 1938. This decline was the sharpest ever recorded in so short a period of time. In certain major industries the drop was very great. For example, steel operations declined 77 percent from the first week of September to the low point in December.

The decline in Federal expenditures from their peak in 1936 was extremely rapid, and probably accounted for part of the fall in general business activity. The monthly contribution of Federal spending to purchasing power fell from a peak of $550,000,000 in June 1936 to less than $20,000,000 monthly in the closing months of 1937. This curtailment undoubtedly affected adversely the general business situation.

Employment declined sharply with the fall in production and public spending. During the last several months some 3,000,000 people have lost their jobs. In October 140,000 people became unemployed. In November this increased to 870,000. In December the number was 820,000. These figures include the declines in nonagricultural employment as reported by the Bureau of Labor Statistics, combined with estimates of the decline in agricultural employment. Although final figures are not yet available, indications are that more than 1,000,000 persons lost their jobs in January.

The full effect of this increased unemployment is now being felt in the relief offices in all parts of the country. In November, shortly after the first mass of unemployed were let out, cities and towns everywhere began to report increases in relief. We had expected a seasonal increase in the need for W. P. A. jobs and we were in a position to expand to meet some of the winter needs. W. P. A. employment rose slightly in November, but it was apparent that the local relief offices would be confronted with a problem beyond their power to meet. Accordingly, in December Mr. Hopkins authorized a further increase in W. P. A. employment of 350,000. We limited the increase to this figure simply because we had to make the entire appropriation last through June 1938.

The effects of the increased unemployment can be seen in the flood of relief applicants all over the country. In the last 4 months local direct relief has increased from 1,300,000 cases to 1,800,000 cases in January. Over four-fifths of this increase occurred in December and January. These figures do not measure the full extent of the recent increase in relief needs since there are areas where relief offices do not exist and others where additional relief could not be granted.

Senator HALE. When did this first begin to manifest itself?

Mr. WILLIAMS. It began to manifest itself along about the latter part of September, Senator, and it increased by leaps and bounds in November, December, and January

Senator HALE. All right. By that time it was evident that you were going to have trouble, was it not?

Mr. WILLIAMS. Well, it was evident that we had a considerable number of unemployed people on our hands.

Senator HALE. Why did you not let us know something about it?

Mr. WILLIAMS. I beg your pardon?

Senator HALE. Why did you not let us know something about it? Did you take it to the President?

Mr. WILLIAMS. We hoped that conditions would improve. I was not willing until the latter part of January to say that we could not meet the situation. As soon as I became convinced that we could not I notified the President.

Senator HALE. You mean that you hoped that conditions would get better?

Mr. WILLIAMS. I hoped that conditions would get better. We are meeting the situation in the several cities of the country as far as giving able-bodied unemployed people who were sent to us from relief was concerned. We were able to meet the demands made upon us by relief offices for employment of able-bodied people coming to them for relief, and until I couldn't do that I was unwilling to go and say that we needed any more money. At the end of January it became apparent that we could not any longer hope to meet the need with the funds available.

Senator HALE. Why was that? Because their demands were increasing all the time?

Mr. WILLIAMS. Their demands were increasing at a great rate. You will understand, as you study this problem, that there is a lag of 8 to 10 weeks between the time when a man loses his job and when he applies to a relief agency. He doesn't come at once. He goes through a period of hope when he doubles up with his relatives and does everything in the world he can, and finally, as a last resort, he comes for assistance. As a result of this much of the increase in need did not reach us until January.

Senator TOWNSEND. Then you have not filled the applications for January and will not probably for a month or 6 weeks?

Mr. WILLIAMS. Not all of them; no, sir.

Mr. BYRNES. Your job was to report it to the President. You could not submit an estimate or deficiency to the Congress?

Mr. WILLIAMS. No, sir.

Senator BYRNES. When did you report it to the President?

Mr. WILLIAMS. The second of February.

Senator BYRNES. The 2d of February. Is that the first time you reported the increase in the number of applications for assistance?

Mr. WILLIAMS. No, sir; I reported the increase from time to time, but I also reported to him that I was meeting the situation with available funds.

Senator RUSSELL. That is, when you reported, the $10,000,000 was gone beyond your available resources?

Mr. WILLIAMS. Yes, sir; I notified the President of our increases, and also said that we were hopeful that we would be able to meet the situation.

Senator MCKELLAR. You were hoping all the time that you would be able to meet the situation?

Senator HALE. So when you give 3,000,000 who have gone out of employment during the last few months, you are not basing it on the applications that have been made to you, but you are basing it on your knowledge of the situation?

Mr. WILLIAMS. That is right.

Senator HALE. All right. And you expect to get applications covering those people in the very near future?

Mr. WILLIAMS. Well, I expect to get a portion of them. We will never get all of them, because, as Senator Byrnes said, not all the unemployed apply for aid.

Senator TOWNSEND. Do your reports indicate that February will increase the number at the rapid rate as January did over December?

Mr. WILLIAMS. Well, Senator, it is always a dangerous thing to forecast what will happen because so many things can come in the picture and change it. If there is an upturn this spring in the automobile industry or in the steel industry, then we won't get anything like the same percentage.

Senator HALE. Have you given up hope of improvement?

Mr. WILLIAMS. I beg your pardon?

Senator HALE. Have you given up hope of improvement?

Mr. WILLIAMS. No, sir, I have not.

Senator HALE. Then you think there is a very good chance of improvement in business conditions?

Mr. WILLIAMS. I certainly hope there is.

Senator HALE. You do not anticipate any further legislation that will discourage it?

Mr. WILLIAMS. Well, I am not here to discuss that, sir. Continuing my general statement I have here a tabulation of the number of relief cases that received State and local general relief in the past 7 months, and I would like to put that in the record.

(The table is as follows:)

TABLE 2.—*Total cases receiving general relief, July 1937 through January 1938*

1937—July	1,260,000
August	1,270,000
September	1,268,000
October	[1] 1,274,000
November	[1] 1,377,000
December	[1] 1,611,000
1938—January	[1] 1,800,000

[1] Preliminary.

The local relief officials in these cities report that in January the relief rolls held large numbers of employable families in the sense that they contain a person able and willing to work. As a matter of fact, the relief agencies regard 60 percent of the January relief cases in the 90 cities as employable. This, together with the fact that almost all of the recent increase in relief has occurred in the last 2 months as the direct result of the decline in private employment, indicates that a substantial proportion of the people on the direct relief rolls today are employable and eligible for employment on W. P. A. projects.

However, our experience with relief agencies' estimates of the number of employables on direct relief shows that they tend to be high. Careful investigations on the part of our representatives in the field and our past experience in matters of this kind indicate that there remain on direct relief at least 500,000 who are in need and willing to work. Another 250,000 unemployed, willing and able to work and in destitute condition, are in areas where relief offices do not exist or where further relief cannot be granted, making a total of 750,000 in immediate need of work relief. The expansion of the W. P. A. up to 2,500,000 will give employment to about 500,000 and will relieve the most severe pressure of need. It will not meet it all.

Senator HALE. How do you reach those figures?

Mr. WILLIAMS. Well, we reach those figures first from reports coming through the Social Security Board, and of course, we check those figures using our own information.

Senator HALE. Well, obviously, the authorities in the States who are taking care of these people on direct relief would like to turn as many of them over to you as possible, would they not?

Mr. WILLIAMS. Well——

Senator HALE. And these figures are based on what you have found out after taking the other matter into consideration?

Mr. WILLIAMS. Yes; that is right.

Senator RUSSELL. Mr. Williams, I am very much concerned about that last statement of 250,000 destitute people in areas where there are not any relief offices.

Mr. WILLIAMS. Or where relief resources are exhausted.

Senator RUSSELL. Then how in the name of Heaven will you reach those people?

Mr. WILLIAMS. We set up our own arrangements for certification where such facilities do not exist. We have to do that in certain places and we have done it, but there is no place in America today where there is not some arrangement for certification of needy persons.

Senator MCKELLAR. Where are those places?

Mr. WILLIAMS. The situation might be like that in Birmingham, Ala. They do not give relief there to any able-bodied person. All of the money is used for the sick, the infirm and dependent children families. But they will investigate the need of employable families, and certify them for W. P. A. employment.

There are several places where that is true, and in addition there are other places where there is just no relief at all. There isn't any relief money.

Senator HALE. Does the Farm Security Administration deal with such cases in urban districts at all?

Mr. WILLIAMS. They give direct relief and grants to persons in need, Mr. Alexander is here——

Senator RUSSELL. In urban districts?

Mr. WILLIAMS. No; not in urban districts. I thought he was speaking of the open country.

Senator HALE. They do not in urban districts?

Mr. WILLIAMS. No.

Senator RUSSELL. If you do not mind addressing it right now, I wish you would tell the committee how you propose to set up machinery to reach the people who have no relief offices at the present time.

Mr. WILLIAMS. Well, Senator, I would be very glad to do that. We found last year there were places in America where there was no relief machinery.

Senator MCKELLAR. Would you mind telling where those places are? Would there be any objection?

Mr. WILLIAMS. Where there was no machinery to give direct relief?

Senator HALE. Do you mean that the localities had nothing for relief?

Mr. WILLIAMS. In some places they ran out of funds. There weren't any funds and there were no direct relief agencies.

Senator HALE. You mean they let them starve?

Mr. WILLIAMS. That is what it would amount to.

Senator HALE. Do you know of any cases where they have let people starve?

Mr. WILLIAMS. Well, Senator, we know of places where if it had not been for the Federal Government people would have starved. I am not willing to say that I know actually of anyone starving.

Senator HALE. In all probability, in those cases, if they had not known that they could get help from the Federal Government, would not the local agencies have taken care of them?

Mr. WILLIAMS. No.

Senator RUSSELL. Perhaps I can expedite that Mr. Williams, by putting the question this way: You do propose, in event that this appropriation passes or whether it does not pass, to see that the people in all sections of the country have equal opportunities to secure work relief based on need and that there will be no discrimination due to the fact that local communities are not providing any direct relief?

Mr. WILLIAMS. Yes, Senator, I am happy to tell you and the committee that we have already taken steps to see that that happens. There are no counties in America today or no cities where we do not have certification arrangements. We have certification arrangements in every county in America either furnished by the localities or furnished by ourselves.

Senator RUSSELL. As you went along with your statement and as you were going on with the reports in the cities and the need of the cities, I was a bit apprehensive that perhaps they had not paid enough attention to the cases of dire need in towns of two or three or four thousand people where industrial plants are closed down.

Mr. WILLIAMS. I am glad you brought that out, Senator, because our record is very good on that. We have opened offices everywhere.

Senator GLASS. Mr. Williams, when communities and private charity are mixed to take care of these unfortunate people, is it or is it not logical, due to the fact that they think the Federal Government is going to do it?

Mr. WILLIAMS. Well, Senator Glass, the records show that the local communities are today doing more in the way of public assistance than they have ever done before, so it wouldn't seem that the presence of the Federal Government has caused them to slacken their efforts, but rather the facts do show that it has increased their efforts. I have some figures which I am going to read shortly on that.

Senator HAYDEN. My recollection is that there are about 3,100 counties in the United States. Now, in how many counties in the country was it necessary for you to go in to set up your own organization?

Mr. WILLIAMS. Well, I couldn't give you that exact figure; not a great many.

Senator HAYDEN. As many as a hundred?

Mr. WILLIAMS. Yes; probably more than that, but we didn't set them up on an individual county basis. We set them up for regions to be sure that the whole region was covered.

Senator BYRNES. If the State did not supply the organization, then you stepped in and supplied it?

Mr. WILLIAMS. That is right.

Senator RUSSELL. Could you for the information of the committee break those down and bring them into the committee so we would have all that for our information?

Mr. WILLIAMS. I would rather put it on the basis of those States where we have made special allocations for that purpose.

Senator RUSSELL. States, if you desire, but I think if it were confined to counties it would be more enlightening.

Mr. WILLIAMS. The only difficulty would be that I would have to write to our State administrators and ask them in what counties this was done. I can give you the States where we have allocated funds for that purpose.

States in which W. P. A. is solely responsible for investigation and certification (as of February 15, 1938): Maine, Vermont, Oklahoma, and South Carolina. States in which W. P. A. assists existing State agencies by employing additional workers (as of February 15, 1938): Arkansas, Florida, Georgia, Mississippi, Tennessee, and Texas.

Senator HALE. Do you take all of these people that have not been taken care of and put them on work relief or give them direct relief?

Mr. WILLIAMS. We give no direct relief at all.

Senator HALE. In other words, the community that has not been taken care of gets the first crack at work relief ahead of the man that happens to be discharged from his job. You do not take care of all the unemployed?

Mr. WILLIAMS. No.

Senator HALE. So these people are put in a rather preferred position?

Mr. WILLIAMS. Well, frankly, direct relief tends rather to undermine a worker's strength and if he is kept idle long enough he simply loses his ability to work efficiently. The result is that finally he is not able to get a job in private industry.

Senator HALE. Regardless of that, these people have another way of being taken care of. You give them no direct relief. Therefore, you must employ them on work relief.

Mr. WILLIAMS. They may stay on the relief rolls of the local community.

Senator HALE. Yes; I am taking the case where the local community does nothing to help him. You say there are some——

Mr. WILLIAMS. In that case, we would put him to work. But, Senator, after a man has stayed on relief for months and months with nothing to do, he may be no longer employable.

Senator HALE. How does he get on direct relief if the local people do not take care of him?

Mr. WILLIAMS. As I said, they may take care of certain kinds of needy but not able-bodied people.

Senator HALE. Then they do take care of those cases in certain localities?

Mr. WILLIAMS. In some.

Senator RUSSELL. In some cases it is limited to the surplus commodities and not altogether to the discredit of those people in some counties. In some cases they just have not got the funds available.

Mr. WILLIAMS. That is right, and proportionately they have spent more money than some other counties that are more wealthy.

Senator OVERTON. How do local communities, as a rule, extend relief to employables? Is it through direct relief or by giving them jobs?

Mr. WILLIAMS. Nearly all of it is direct relief.

Senator OVERTON. Direct relief?

Mr. WILLIAMS. There are some States that give work relief, but the great bulk of it is direct relief.

Senator OVERTON. Do you try to encourage direct relief on the part of the States or do you undertake to encourage their giving them jobs?

Mr. WILLIAMS. We furnish employment for as many needy persons as we can with available Federal funds. We don't get into the question of how the States and localities should administer their relief.

Senator HALE. Do the local communities contribute through sponsors' contributions to the general program?

Mr. WILLIAMS. Actually there is not very much of that kind of work relief. I know California tried it for a time; I believe that Rhode Island and Connecticut now have local work relief programs, and a few other States have a little. All together, local work programs are not extensive.

Senator RUSSELL. They contribute then through their sponsors contribution to the general program and that helps them to provide employment.

Mr. WILLIAMS. Yes, sir; local communities in States are now contributing an average of 22.8 percent.

Senator BYRNES. Last year you told us, when we had the annual bill up for consideration, that the average for the country was about 13, was it not?

Mr. WILLIAMS. I think it was at that time, Senator.

Senator BYRNES. According to your statement now it is 22.

Mr. WILLIAMS. Yes.

Senator RUSSELL. Can you also furnish for the record, Mr. Williams, a chart or table showing the percentage of contributions by States?

Mr. WILLIAMS. Yes, sir.

(The material referred to follows.)

TABLE 3.—*Expenditures on Works Progress Administration by States and by sources of funds, July 1 through Nov. 30, 1937*

State	Total	Federal funds [1]	Sponsors' funds [2]	Sponsors' funds as percent of total funds
Grand total	$615,348,168	$474,864,679	$140,483,489	22.8
Continental United States	613,990,309	473,969,494	140,020,815	22.8
Alabama	5,670,577	4,216,477	1,454,100	25.6
Arizona	2,796,117	1,971,234	824,883	29.5
Arkansas	5,176,865	3,176,000	1,460,865	28.2
California	34,022,379	27,320,899	6,701,480	19.7
Colorado	6,193,110	4,852,695	1,340,416	21.6
Connecticut	8,253,004	5,423,145	2,829,859	34.3
Delaware	592,898	496,797	96,101	16.2
District of Columbia	2,320,967	2,046,981	273,986	11.8
Florida	7,159,700	5,233,184	1,926,516	26.9
Georgia	5,787,888	4,605,588	1,182,300	20.4
Idaho	2,073,003	1,226,336	846,667	40.8
Illinois	46,239,365	35,266,967	10,972,398	23.7
Indiana	17,517,186	13,794,168	3,723,018	21.3
Iowa	7,146,179	4,707,038	2,439,141	34.1
Kansas	9,101,584	6,339,564	2,762,020	30.3
Kentucky	10,356,278	7,281,026	3,075,252	29.7
Louisiana	8,752,762	5,836,520	2,916,242	33.3
Maine	937,243	696,842	240,401	25.6
Maryland	3,948,395	2,617,743	1,330,652	33.7
Massachusetts	28,055,778	22,729,738	5,326,040	19.0
Michigan	$20,256,325	$14,614,881	$5,641,444	27.9
Minnesota	14,989,454	11,385,875	3,603,579	24.0
Mississippi	6,183,485	3,568,510	2,614,975	42.3
Missouri	17,100,533	13,612,435	3,488,098	20.4
Montana	3,717,326	3,009,349	707,977	19.0
Nebraska	7,433,429	4,919,710	2,513,719	33.8
Nevada	760,341	446,513	313,828	41.3
New Hampshire	1,989,200	1,436,348	552,852	27.8
New Jersey	27,465,895	21,822,876	5,643,019	20.5
New Mexico	2,393,329	1,770,746	622,583	26.0
New York City	72,013,617	63,178,481	[3] 8,835,136	12.3
New York (exclusive of New York City)	25,958,948	19,124,456	6,834,492	26.3
North Carolina	4,937,736	3,383,922	1,553,814	31.5
North Dakota	3,624,226	2,636,132	988,094	27.3
Ohio	36,630,088	29,311,762	7,318,326	20.0
Oklahoma	11,064,627	6,589,350	4,475,277	40.4
Oregon	4,847,720	3,718,433	1,129,287	23.3
Pennsylvania	64,658,119	54,957,144	9,700,975	15.0
Rhode Island	3,776,511	2,901,614	874,897	23.2
South Carolina	4,431,441	3,255,489	1,175,952	26.5
South Dakota	4,050,483	3,107,607	942,876	23.3
Tennessee	6,819,389	3,698,658	3,120,731	45.8
Texas	15,372,941	9,296,521	6,076,420	39.5
Utah	3,140,855	2,247,791	893,064	28.4
Vermont	849,746	577,123	272,623	32.1
Virginia	4,638,654	3,432,307	1,206,347	26.0
Washington	8,116,041	6,740,935	1,375,106	16.9
West Virginia	8,786,543	6,747,025	2,039,518	23.2
Wisconsin	14,954,963	11,513,967	3,440,996	23.0
Wyoming	927,066	584,593	342,473	36.9
Alaska	17,491	17,491		
Hawaii	1,340,351	877,677	462,674	34.5
Virgin Islands	17	17		

[1] Based on Treasury Department reports of voucher payments.
[2] Based on area statistical office reports of sponsors' certifications.

TABLE 3.—*Expenditures on Works Progress Administration by States and by sources of funds July 1 through Nov. 30, 1937*—Continued

[3] In addition to amounts shown, New York City has made available to the Works Progress Administration approximately $150,000 in cash which had not been expended as of Nov. 30, 1937.

Senator RUSSELL. I would like very much to have that.

Senator BYRNES. One more question and then I am through with this. Last year the argument was made that the communities could not put up any more. How did you get them to increase from an average of 13 percent to 22 percent?

Mr. WILLIAMS. Well, I think, Senator, that has come about through the communities' greater interest in projects that we were able to aid. That is one reason. The increased employment and the better business conditions in 1937 have put them in a better financial position.

Senator BYRNES. The same cities that today claim they could not contribute any more are the cities that a year ago said they could not contribute any more than 13 percent, I think, are they not?

Mr. WILLIAMS. I wouldn't want to say yes or no as to that. Some cities have not been able to increase their share of project costs as much as others. As I remember our discussion last year, we agreed with you that we ought to get something approximating 20 to 25 percent, but we didn't feel that an arbitrary rule of that kind could be applied successfully to every one of the thousands of local agencies that sponsor our projects. Some sponsors could not contribute that much and others who are able to contribute more than a standard percentage would reduce the amount they were spending before the adoption of such a measuring stick. I remember that as Mr. Hopkins' general position.

Senator BYRNES. I think you preferred to do it instead of letting the Congress do it. It did not make any difference to me if you accomplished the object.

Mr. WILLIAMS. We have tried our best.

Senator BYRNES. You have gotten it to 22.8?

Mr. WILLIAMS. Yes, sir.

Senator BYRNES. And the only other question I wanted to ask will be answered if you will put in the table that Senator Russell was talking about.

Mr. WILLIAMS. I will be very glad to do that.

Senator OVERTON. I want to ask now about direct relief, what the opportunities are in the States and cities and local communities? Can you enlighten us as to why they did not think of their employables?

Mr. WILLIAMS. Why they had direct relief, you mean, rather than a work program?

Senator OVERTON. Yes; as over against the work program.

Mr. WILLIAMS. Until the present emergency, most of the cases on local relief were not employable. Also, local facilities for administering direct relief already existed, having been organized under the F. E. R. A., but it would be a difficult undertaking for the localities to organize and operate individual work programs. As compared with organizing and conducting a direct relief program, it is much more difficult to do locally.

Senator OVERTON. Well, the local communities could pay the work program for the W. P. A.?

Mr. WILLIAMS. Well, we require local agencies to supply funds and materials——

Senator OVERTON. To make contributions?

Mr. WILLIAMS. To make contributions; but it ought to be said that the Federal Government does organize and administer the program. I think that the administrative problems involved are the reasons why communities generally have not undertaken local work programs for their employables.

Senator HALE. Mr. Williams, the average rate you pay on work relief is about $65 a month?

Mr. WILLIAMS. The average full-time monthly earnings rate is about $58. Actual earnings per worker averaged about $56 per month, because of voluntary lost time, and so forth.

Senator HALE. About $58?

Mr. WILLIAMS. Yes, sir; expenditures for materials and other nonlabor items on work projects average about $7.50 per worker per month.

Senator HALE. It brings it up to $63 or $64.

Mr. WILLIAMS. Yes; project expenditures averaged $63.50 per worker per month during the last 6 months of 1937. If administrative costs are included, the total expenditure per worker per month averaged $66.

Senator ADAMS. Your statement in the House was that the average total cost was about $66.

Mr. WILLIAMS. Yes; I believe that the total cost per worker during the last 5 months of this fiscal year will be approximately $65 per man per month.

Senator HALE. Does that include material and equipment?

Mr. WILLIAMS. It includes everything that the Federal Government puts in.

Senator HALE. Administrative and everything?

Mr. WILLIAMS. Yes, sir; the over-all figure.

Senator HALE. And the average direct relief is somewhere around $30? It is less than half.

Mr. WILLIAMS. I think that is the average figure obtained by dividing the total number of cases receiving any relief into the total amount of aid extended. Of course the figures aren't comparable to work program costs because many relief families are not completely dependent, but receive only enough aid to supplement other resources. Many others need assistance only at intermittent periods, but they are all counted as relief cases, regardless of the extent of their dependency. A W. P. A. worker, on the other hand, receives a regular monthly wage for the work he performs. Furthermore, a work program produces physical results which constitute a definite contribution to the national wealth.

Senator TOWNSEND. Mr. Williams, I think we gathered the information from some source that a man who had been employed on W. P. A. and then was taken over by industry and then he again lost his job and came back was on the preferred list. Is that correct?

Mr. WILLIAMS. Yes, sir; that is right.

Senator TOWNSEND. Then he takes the job of some fellow who is there, if you cannot work it out any other way?

Mr. WILLIAMS. Yes, sir; we went so far as to say we would give him his job even if it meant dropping someone else. We cannot penalize workers for accepting private jobs, if they later lose those jobs through no fault of their own.

Senator NYE. Mr. Chairman, may I ask a question?

Senator ADAMS. Yes, Mr. Nye.

Senator NYE. Have any studies been made, Mr. Williams, to indicate how much new wealth has been created by reason of work programs?

Mr. WILLIAMS. We have gone into that but it is difficult to determine. We are putting in the record the physical accomplishments of the program.

Senator MCKELLAR. I wish you would put it in the record.

Mr. WILLIAMS. I have a statement that goes into it very fully.

Senator NYE. Well, the fact that it costs more to afford a family relief on a W. P. A. project than by direct relief does not mean that the difference in the cost is entire loss?

Mr. WILLIAMS. No, sir. It could not possibly be interpreted as such. We have operated 150,000 projects; we have improved 146,000 miles of road; we have built 44,000 miles of new road, and we have built 19,000 new bridges. I won't take up the time of the committee to read all of what has been done on other types of projects.

I would like to refer now to the statement I have only partially completed. I was up to the point of discussing the need for expanding the W. P. A. rolls. Here are data for each of 90 cities in a table which I am submitting for the record.

(The data referred to above are as follows:)

TABLE 4.—*Number of cases and amount of obligations incurred for general relief in 90 urban areas* [1]

JANUARY 1938

Urban area	Number of cases	Percentage increase (+) or decrease (−) from Dec. 1937	Obligations incurred for general relief extended to cases		
			Amount of obligations	Percentage increase (+) or decrease (−) from Dec. 1937	Percent of cases with employable persons
Total for 90 urban areas	841,531	+13.1	$25,650,523	+9.0	60.4
Arizona: Phoenix	777	+10.2	12,941	−4.8	7.9
Arkansas:					
Fort Smith [2]	92	−3.2	517	−1.9	
Little Rock [2]	474	+0.6	3,280	+1.4	3.8
Pine Bluff [2]	100	−2.9	883	−2.6	3.0
California:					
Los Angeles [2]	44,117	+14.5	1,474,522	+17.4	62.5
Oakland [2]	11,652	+21.3	318,582	+15.3	72.1
Sacramento [2]	3,213	+28.3	83,668	+51.2	70.5
San Diego [2]	4,592	+11.2	125,486	+12.3	44.9
San Francisco [2]	15,448	+19.4	414,756	+14.1	76.6
Colorado: Denver	4,022	+3.8	57,055	−15.2	23.2
Connecticut:					
Bridgeport	1,913	+21.8	55,800	+36.4	44.9
Hartford	2,105	+10.2	70,630	+14.2	19.4
New Haven	2,051	+5.2	58,900	+0.2	14.7
Waterbury	1,113	+13.8	31,300	−1.8	41.8
District of Columbia: Washington	2,525	−5.1	65,914	−2.5	
Georgia:					
Atlanta [2]	2,936	+2.5	29,885	+1.9	14.1
Augusta [2]	339	−0.3	2,350	−29.7	24.2
Columbus [2]	567	+27.1	4,547	+35.0	39.7
Macon [2]	334	+7.4	1,756	−6.7	3.3
Savannah [2]	454	−8.1	2,751	−37.4	18.5
Illinois:					
Chicago [2]	105,361	+6.4	3,052,068	+9.8	46.8
Peoria [2]	3,718	+26.3	64,575	+21.9	67.3
Springfield [2]	3,789	+12.6	72,529	+12.4	58.1
Indiana:					
Evansville [2]	2,900	+34.4	49,000	+57.3	(3)
Fort Wayne [2]	1,700	+30.8	32,000	+38.4	(3)
Gary [2]	10,000	+36.3	270,000	+50.8	(3)
Indianapolis [2]	13,000	+19.4	208,000	+11.1	(3)
South Bend [2]	3,900	+38.9	77,000	+56.6	(3)
Iowa:					
Cedar Rapids [2]	1,427	+8.4	28,038	+5.8	66.8
Davenport [2]	1,553	+9.6	34,901	+12.7	65.8
Des Moines [2]	5,151	+10.4	96,787	+1.3	66.7
Sioux City [2]	3,162	+6.8	72,754	+8.1	64.9
Kansas:					
Kansas City	2,868	+6.0	48,189	−1.4	77.0
Topeka	1,398	−5.3	18,950	−18.2	36.4
Wichita	2,260	+4.0	46,011	+8.2	28.3
Kentucky: Louisville	1,467	+46.7	26,711	+30.3	32.4
Louisiana:					
New Orleans [2]	2,687	−2.2	50,493	+0.3	3.7
Shreveport [2]	278	+8.2	5,510	+0.7	4.0
Massachusetts:					
Boston	19,213	+4.2	538,186	−11.7	60.9
Brockton	1,800	+2.6	39,175	+0.7	83.3
Cambridge	2,287	+10.5	63,567	+4.9	74.5
Fall River	3,900	+4.0	85,000	+8.9	87.2
Lowell	2,787	−3.5	92,808	+4.5	72.1
Lynn	2,600	+1.0	44,924	+5.4	95.4
New Bedford	2,747	+9.7	65,958	+1.3	80.9
Somerville	1,941	+4.4	73,506	−27.3	62.9
Springfield	3,288	+19.7	127,618	+50.3	84.8
Worcester	4,684	+13.2	167,615	+2.6	80.7
Michigan:					
Detroit	42,035	+87.4	210,000	+53.9	43.3
Flint [2]	7,447	+285.1	184,413	+212.1	64.6
Grand Rapids [2]	4,445	+44.3	100,000	+38.3	26.9
Mississippi: Vicksburg [2]	109	−28.8	487	−13.0	

[1] Figures for some of the urban areas are preliminary or estimated by the State.
[2] Includes data for entire county in which city is located.
[3] Data not available.

TABLE 4.—*Number of cases and amount of obligations incurred for general relief in 90 urban areas*—Continued

Urban area	Number of cases	Percentage increase (+) or decrease (−) from Dec. 1937	Obligations incurred for general relief extended to cases		
			Amount of obligations	Percentage increase (+) or decrease (−) from Dec. 1937	Percent of cases with employable persons
Montana:					
Butte	816	+31.4	10,543	+24.6	57.6
Great Falls [2]	1,191	+15.5	19,013	+3.9	70.4
New York:					
Albany	1,767	+16.3	44,778	+16.7	(3)
Buffalo	16,464	+14.0	600,626	+13.6	(3)
New York City	208,731	+3.1	8,506,807	+1.8	(3)
Rochester	8,558	+10.6	335,243	+5.9	(3)
Schenectady	1,375	+25.1	39,502	+4.4	(3)
Syracuse	7,605	+26.6	231,833	+15.8	(3)
Utica	2,428	+20.4	80,936	+22.3	(3)
Yonkers	3,181	+8.1	107,500	+6.4	(3)
North Carolina:					
Asheville	272	−13.7	2,561	−8.4	41.9
Charlotte	464	+7.4	2,570	+34.8	31.7
Durham	236	+67.4	1,271	+82.2	38.1
Greensboro	243	+5.2	3,097	−19.4	53.9
Ohio:					
Akron	4,077	+45.5	48,658	+8.0	(3)
Canton [2]	4,324	+45.1	68,146	+36.7	(3)
Columbus [2]	6,701	+10.3	119,738	+11.7	(3)
Dayton	4,188	+50.8	101,130	+52.0	59.2
Oregon: Portland [2]	7,618	+18.8	128,954	+14.3	47.6
Pennsylvania:					
Erie [2]	2,979	+31.0	81,242	+24.5	91.8
Philadelphia [2]	72,318	+5.5	2,188,789	−.5	76.7
Pittsburgh [2]	39,829	+27.9	1,165,459	+26.0	86.6
Reading [2]	4,033	+37.9	118,449	+29.3	89.2
Scranton [2]	7,868	+11.1	226,368	(4)	94.4
Wilkes-Barre [2]	10,981	+13.9	344,231	+5.7	91.5
South Carolina:					
Charleston	160	+.6	2,013	+7.5	
Greenville	98	+48.5	1,613	+56.9	
South Dakota: Sioux Falls [2]	901	+14.2	14,000	+20.7	49.9
Utah: Salt Lake City [2]	2,157	+10.7	59,363	+8.2	29.9
Vermont:					
Burlington	402	+17.9	5,462	+5.0	85.1
Rutland	221	+20.8	5,484	+30.5	66.5
Virginia:					
Norfolk	567	+24.1	8,231	+49.0	73.2
Richmond	2,442	+7.9	33,219	(4)	38.9
Roanoke	365	+13.0	3,067	−11.4	17.0
Washington:					
Seattle [2]	16,857	−7.4	267,248	−21.1	32.7
Spokane [2]	6,104	+20.7	115,662	+15.0	64.9
Tacoma [2]	5,624	+2.9	106,772	−11.4	55.4
Wisconsin: Milwaukee [2]	22,700	+25.1	600,000	+24.5	58.6

[2] Includes data for entire county in which city is located.
[3] Data not available.
[4] Less than 0.05 percent.

Source of basic data: Social Security Board.

Senator HALE. Are you giving all of the 90 cities? I do not think the House record includes them all.

Mr. WILLIAMS. Yes, sir; they are in that record.

Large numbers of needy employable persons can be found in all the cities and towns throughout the country. Our investigators and State administrators report a growing pressure to increase local W. P. A. employment. For instance, in Cleveland there are some 27,000 needy employables who are assignable to the W. P. A. In St. Louis, 7,200 needy persons are available for immediate assignment. In Boston and San Francisco the W. P. A. program would

have to increase 60 percent to absorb the needy employables assignable to jobs. In Atlanta an increase of 41 percent would be necessary; in Pittsburgh, 65 percent; in New Orleans, 24 percent.

The figures cited above do not indicate the true seriousness of the problem because many cities are turning relief applicants away because of a shortage of funds.

Right along that line, Senator Russell, we have studied the recent increases in W. P. A. employment, and a very large proportion of the increases went to small communities and rural sections. A good proportion of the 350,000 increase went into the smaller towns and the open country.

Senator RUSSELL. From what little I know about it, it seems to me that the smaller towns had closed down or restricted their operations to a greater degree than those in the larger cities.

Mr. WILLIAMS. Well, that would be due to the seasonal factor.

Senator RUSSELL. I was quite interested in that, too.

Mr. WILLIAMS. The proposed increase in the W. P. A. program to 2,500,000 will mean that hard-pressed cities would then be able to accept many of the needy families now being turned away. We also know that relief standards are being reduced all over the country in an effort to spread the available funds as widely as possible. In the counties in the cotton belt, for instance, average relief benefits are as low as $3.76 a month per family. Averages of $4, $5, and $6 are common. In Cleveland, only 10 cents a month per case can be allowed for clothing, and food allowances have been cut. In St. Louis almost no gas and electricity and only half the needed fuel are given. And half of the needy applicants are being turned away.

Local governments are being pressed to provide funds for the present relief crisis. Local contributions have increased by two and one-half times during the past 5 years for relief and work relief. In 1933 the cities and States spent $409,000,000; in 1934, $565,000,000; in 1935, $614,000,000; in 1936, $872,000,000; and in 1937, $1,013,000,000. These expenditures include direct relief, work relief, public assistance in the forms of old-age assistance and aid to dependent children, and the local contributions to the Civil Works Administration and the Works Progress Administration.

But the financial ability of the communities is limited—many are in extremely difficult straits. The favorable local revenue situation of the last several years has taken a turn for the worse.

The larger cities of the country, with few exceptions, have been unable to develop major sources of revenue to supplement the general property tax. Some State governments, with a view to compensating for deficiencies in local revenues, have undertaken to meet a portion of relief and welfare costs, but State funds appropriated for these purposes are being spent faster than was anticipated and are unlikely to be sufficient to meet increased requirements at this time.

Many of the country's largest cities are unprepared to meet the heavy relief costs being imposed upon them. Some have not yet emerged from extended periods of deficit operations; others again face the prospect of spending more than their income.

Detroit's relief appropriation for the fiscal year ending next June 30 already is exhausted and city officials have asked the State for additional assistance. Little remains, however, of the current Michigan relief appropriation and early in March the State may have to draw

against funds appropriated for the next fiscal year. The city is now borrowing for relief purposes in anticipation of next year's revenues. Detroit is close to its bonding limit and in the present thin and highly selective municipal bond market, quotations on outstanding Detroit issues are substantially lower than a year ago.

Philadelphia, which operated at a deficit during recent years, borrowed against this year's revenues to meet some of last year's expenditures. So far the search for additional revenues has been unsuccessful and the city is operating without a current budget.

New York City's temporary and long-term debt increased last year despite the fact that the city's revenues were greater than ever before.

Buffalo has borrowed to meet relief costs during every recent year. With the sale of additional bonds last month the city very nearly exhausted its bonding leeway.

Available relief funds in Minneapolis are about exhausted and the city, which has borrowed for relief purposes frequently during recent years, is resorting to tax anticipation borrowing and is planning another large bond issue.

St. Louis, despite improved collections of current and delinquent taxes, has been unable to offset the accumulated deficit with which it began the last fiscal year. Bond proceeds have been a primary source of local relief funds.

Cleveland, because of unexpectedly heavy relief costs, closed last year with an operating deficit and now is cramped for revenues. Under the tax limitation in Ohio, the city's tax rate cannot be increased without the approval of the local electorate.

Seattle, which has accumulated an operating deficit well in excess of its current tax levy, now is unable to cash its general fund warrants at local banks.

This financial situation makes substantial increases in local funds out of the question at this time.

Senator TOWNSEND. Let me ask you a question there: What was the percent of the money put up with the Government in most cases?

Mr. WILLIAMS. The statement submitted to the House of Representatives Committee on Appropriations shows Federal and local funds used for the various types of public assistance, Senator.

Senator TOWNSEND. You have no break-down on that showing——

Mr. WILLIAMS. Yes, we can break down exactly what that money went for. On page 16 of the hearings before the House of Representatives Committee——

Senator TOWNSEND. All right; thank you. I can see it right here.

Mr. WILLIAMS. In 1936, $872,000,000; and in 1937, $1,013,000,000.

The extremely sharp increase in unemployment during the past 4 months and the accompanying sharp increase in relief needs of employable persons, together with the impaired condition of city financial resources, constitutes the basis for the recommendation that $250,000,000 additional be appropriated for the Works Progress Administration to help meet the relief situation during the balance of this fiscal year.

Senator ADAMS. Now, Mr. Williams, if you do not get the money, what will be the result?

Mr. WILLIAMS. Well, if additional funds are not appropriated, I will have to issue an order immediately to drop 200,000 people the first of next month.

Senator ADAMS. And if you do get the money, what?

Mr. WILLIAMS. If we do get the money, we will keep those 200,000 people and we will move immediately to put on an additional 500,000.

Senator ADAMS. Five hundred thousand?

Mr. WILLIAMS. Yes, sir; workers who have been certified to us by local relief agencies as destitute, able and willing to work.

Senator ADAMS. But that number will cover the actual emergency?

Mr. WILLIAMS. I feel confident that with such an increase we can meet the most severe needs of the present time. We cannot meet all the need, and local relief agencies will have to provide for many other workers. What the future will hold I am not going to try to say.

Senator ADAMS. Under this bill, it provides for the addition of the $250,000,000 and the allocation of the $250,000,000 in the same proportion that the original billion and a half was allocated.

Senator MCKELLAR. Exactly as it was in the last bill.

Mr. WILLIAMS. The Woodrum amendment applies.

Senator HALE. Does it apply to the Farm Security Administration and the other agencies as well as the W. P. A.?

Mr. WILLIAMS. Mr. Bell had better answer that.

Mr. BELL. Yes, sir; it does apply to the whole billion and a half.

Senator HALE. It applies to all?

Mr. BELL. Yes, sir; it applies now to $1,750,000,000.

Senator GLASS. I am rather astonished to hear you say that the Woodrum amendment applied to this bill. I understood at our conference that it did not apply to this $250,000,000 appropriation.

Mr. WILLIAMS. Senator, what I thought we understood was that the Woodrum amendment would apply to this supplemental appropriation, and that it would not be necessary to repeal the amendment.

Senator GLASS. Oh, it was understood we would not make any move to repeal the Woodrum amendment, but it was not to apply to this bill, as I understand it—to this $250,000,000.

Mr. WILLIAMS. We can apportion the supplemental $250,000,000 over the remaining months of the year.

Senator ADAMS. Just a moment. Let us see about that [reading]:

This appropriation is to continue relief subject to all the provisions thereof. Referring back to the Emergency Relief Appropriation Act of 1937, there is hereby appropriated, from money in the Treasury not otherwise appropriated, the sum of $250,000,000, which amount shall be added to, and proportionately increase, the specified amounts of the limitations prescribed under the appropriation made in such case.

Mr. WILLIAMS. It is simply an addition to the other bill, with all the provisions of the other bill being applicable.

Senator BYRNES. You have no doubt that the Woodrum amendment would apply to it, have you?

Mr. WILLIAMS. No, sir.

Senator RUSSELL. It is practically a 50- or 60-percent increase then for the remaining 4 or 5 months of this year.

Mr. WILLIAMS. About 40 percent more than the previous apportionment for the remaining 5 months of the fiscal year.

Senator HALE. Therefore, the Youth Administration will receive one-fifth as much again substantially?

Mr. WILLIAMS. Not necessarily. I think we are confusing two things there. The Woodrum amendment, as I understood it, simply said that once the funds were allocated to various agencies, those agencies were to spread out the funds so they would last over the whole year. The act limitations specify the maximum amounts that may be used on certain types of projects and activities.

Senator HALE. Does not this apply simply to the W. P. A.?

Mr. WILLIAMS. The additional money is intended for the W. P. A. but the Woodrum amendment had nothing to do with apportioning the money to the several agencies. It didn't touch on that at all.

Senator BYRNES. What the Senator asks, though, would apply to this. Forgetting the Woodrum amendment, this resolution provides after the appropriating words as follows:

which amounts shall be added to and proportionately increase the specified amounts——

Senator MCKELLAR. Where are you reading from?

Senator BYRNES. The first page of the bill.

of the limitations prescribed under the appropriation made in such case.

Then you would have to look for the specified amounts in this act in order to determine how you would have to apportion this money, and that question certainly will arise, and it is for us to determine whether we want this money to be apportioned according to the specified amounts of that bill or whether we want to appropriate it specifically for the W. P. A.

Mr. WILLIAMS. Well, Senator, as I understand that, the limitations refer to types of activities rather than agencies, and they are maximum limitations.

Senator MCKELLAR. Mr. Williams, can you give us at the present time how much would be allocated to the Farm Security and how much to the N. Y. A.?

Mr. WILLIAMS. As I understand it, this entire $250,000,000 is intended for the W. P. A.

Mr. BELL. That is right.

Mr. WILLIAMS. And that the President intends to take care of the needs of the Farm Security Administration out of the present balance of unearmarked funds.

Mr. BELL. Out of the unallocated balance we will give to Resettlement between three and four million dollars to take care of its needs.

Senator ADAMS. That really does not make much difference; does it?

Mr. WILLIAMS. That is part of the program.

Mr. BELL. I mean, that comes under these other agencies referred to here.

Senator BYRNES. Do you want to discuss this? This bill provides—the bill to which the resolution refers has a proviso that—

the appropriation shall be available for the following classes of projects and the amounts to be used for each class shall not, except as hereinafter provided, exceed the expected amount stated; namely—

Then there are limits on the classes as to roads, parks, flood control, assistance for educational, professional and self-help, National Youth Administration. Now, those are the specified amounts of the limitations.

Senator MCKELLAR. Four classes.

Senator BYRNES. In the interpretation of the language that is raised, this resolution will increase those classifications so that the amount available for each of these classes will be correspondingly or proportionately increased.

Mr. BELL. By one-sixth.

Senator BYRNES. Then it will make available in additional sum for N. Y. A.?

Mr. BELL. That is right.

Senator BYRNES. And if it is made available for N. Y. A., then how could he use it for the W. P. A.?

Mr. BELL. Well, that is only a top limitation. He does not have to make that much money available to N. Y. A., although N. Y. A. is——

Senator RUSSELL. Well, you put limitations on the total amount that he could use for any one purpose. It had other language to permit him to transfer funds within the purposes for which the appropriation had been made.

Senator BYRNES. I am looking to see if there is such a transfer in order that the amount specified for any of the foregoing classes may be increased by not exceeding 15 percent.

What have you spent up to the limitation provided in the bill for these various classes in your apportionments?

Mr. WILLIAMS. We are well under the 1937 act limitations.

Senator BYRNES. Therefore, for the 6 months' period you did not apportion up to the maximum?

Mr. GILL. We have not obligated more than seven-twelfths to date under any of these limitations.

Senator HALE. What are these other agencies referred to on page 2 of the House hearings aggregating $181,000,000 in the apportionment? I supposed that included the National Youth Administration. You say it does not?

Senator MCKELLAR. Page 2?

Mr. BELL. What page, Senator Hale?

Senator HALE. Page 2 of the House hearings.

Mr. BELL. The Works Progress Administration allocation includes the National Youth Administration and then there is the Farm Security Administration. The Agriculture Department gets some allocations for various projects and other bureaus do also.

Senator HALE. Projects that come under Works Progress Administration?

Mr. BELL. Well, they pass through the Works Progress Administration for approval and they are the types of projects somewhat similar to the W. P. A. projects.

Senator MCKELLAR. Just what sort of a project would that be?

Mr. BELL. On page 45 of the House hearing you will find a list of some of them.

Senator GLASS. I very distinctly understood that we were to have a resolution here appropriating this $250,000,000 to supply any deficiency that might arise because of the Woodrum limitation. We discussed that very thing in turn as to whether or not we should apply the Woodrum amendment to the proposition and that $250,000,000 was to be turned over to the Works Progress Administration to supply any emergency or deficiency that might arise out of the requirement of the Woodrum amendment.

Mr. WILLIAMS. Senator, I think the situation——

Senator GLASS. I am talking about what we discussed up here at that conference and what we agreed to.

Mr. WILLIAMS. If I might say this, it might make it a little clearer. The President had two choices. One was to ask Congress to repeal the Woodrum amendment.

Senator GLASS. Well, we decided not to do that.

Mr. WILLIAMS. And the other one was to ask for a supplemental appropriation.

Senator MCKELLAR. Let me ask. I refer to page 45 and I find here an agricultural allotment to the Bureau of Agricultural Economics. Is it proposed to allot some of that $250,000,000 to that Bureau? I next find the Biological Survey. Are we to increase that appropriation?

Senator ADAMS. Senator McKellar you got the relief from that first item—determining the frequency of the transfer of farm real estate by various methods.

Senator MCKELLAR. I do not think those items ought to be increased unless there is a necessity. I think there is a great necessity for what we want here, but I do not see any reason—well, here is Entomology and Plant Quarantine, Forest Service, and——

Mr. WILLIAMS. I think it would make it a little clearer if I said to you that these Federal agencies act as sponsors and supervisors of the work, and the people that do the work are all relief people. It is not a regular part of the work of any of these departments, and relief people are employed on the projects.

Senator ADAMS. Just a moment. Over on page 48 you find "River and harbor improvements" under the Corps of Engineers and the War Department, $47,000,000. Well, that has not been done by people on your relief roll, has it?

Mr. WILLIAMS. That is part of the $52,500,000 that Congress allocated to the Corps of Engineers in the War Department Civil Appropriation Act of 1938. These Federal allocations are for the employment of relief workers.

Senator MCKELLAR. That is what we understood and therefore we did not want the Woodrum amendment to apply to this resolution, and that was agreed.

Senator HALE. You do not want to have these appropriations increased, do you, for these various agencies?

Mr. WILLIAMS. Let me cite as an example a project down in Mississippi, of a type which the War Department, through its established agencies down there, is best equipped to supervise. We ask the War Department to assist us by supervising the work, but the workers come from the relief rolls of that locality. The Army simply organizes and supervises the project, and it is a 95 percent relief project. It is not a regular part of the Army's work but they can provide the technical supervision which we would otherwise have to find somewhere else.

Senator RUSSELL. They might build a road down at Fort Oglethorpe but all the people employed on this road would be taken from York County or the adjoining county.

Mr. WILLIAMS. Yes, sir; and the President has insisted that 95 percent of the people who work on these projects shall be taken from relief rolls.

Senator MCKELLAR. I did not understand that we were proposing new projects. We were just supplementing by an additional appropriation.

Mr. WILLIAMS. As a matter of fact, I don't know that any of this new money would go for projects of that kind.

Senator BYRNES. When you ask for $50,000 for direct relief for needy persons in the District of Columbia under Farm Security, where are there farms in the District of Columbia? That is a new one on me.

Senator TOWNSEND. How are the projects selected?

Mr. WILLIAMS. They are selected on the basis of the usefulness of the project and their adaptability to the employment of relief workers. If the relief people are there it is a good project, we see no reason why that project should not be operated.

Senator TOWNSEND. They had made an effort to get an appropriation from Congress but they did not get it, so they go ahead and build it anyway.

Senator BYRNES. The project engaged for the United States Government instead of the city of Spartanburg, S. C., if it is a deserving one——

Mr. WILLIAMS. The Charleston Navy Yard is a good illustration.

Senator BYRNES. Some of these things that have got farming in the District of Columbia and entomology—I don't know about.

Senator RUSSELL. Those experiments have been carried on since the inception of the W. P. A. Let me illustrate: This Dutch-elm disease attacked all the elm trees in the East. The people came down here and asked for an appropriation in the agricultural appropriation for 3 or 4 million dollars to combat it. Well, the W. P. A. organized projects to eliminate these diseased trees. The only people who could be employed in elimating those diseased trees were those on the W. P. A. and they were certainly on relief. If they had not been certified on elm trees, they would have been out digging a ditch or carrying on some project for the city. It is a question of which project was the more meritorious. They have been in existence since the W. P. A. was first organized.

Senator HALE. I want to know how many people of these various agencies are employed, because there are additional figures given out by the W. P. A., are there not?

Mr. WILLIAMS. There were 117,000 people employed on this kind of work at the end of 1937.

Senator HALE. Where?

Mr. WILLIAMS. By all these other agencies; everything that you see here of this character.

Senator HALE. That is with the exception of Farm Security.

Mr. WILLIAMS. It includes their work projects.

Senator HALE. Now, were those 117,000 included in those figures which you have given us for Works Progress?

Mr. WILLIAMS. We do not include those in the W. P. A. figures. They are under the Federal agencies.

Senator HALE. But they are your people, you say?

Mr. WILLIAMS. They are on the same basis. They must be certified as in need of relief, but the Federal agencies operate the projects themselves. They are separate from the projects operated by the W. P. A.

Senator TOWNSEND. All you do is pay them?

Mr. WILLIAMS. They get the money direct through the Budget Bureau, but we must approve the project as a relief project. The President will not allocate funds for a project until Mr. Hopkins or somebody acting for him says it is a good relief project, so it meets all the conditions that our projects meet.

Senator HALE. Are there any other agencies that are employing relief workers that you know of in the Government that you have not figured on already?

Mr. WILLIAMS. No; they are all here. All employment on those projects is here; everything.

Senator HALE. Yes, sir; but it is not included in the 2,000,000 that you say are on work relief now?

Mr. WILLIAMS. Well, I gave you a figure strictly for W. P. A. We were talking about W. P. A.

Senator HALE. That is W. P. A. and these are in addition to that?

Mr. WILLIAMS. These are in addition.

Senator HALE. And they are also on work relief?

Mr. WILLIAMS. Yes, sir.

Senator HALE. And they are provided for in all probability in this bill—for an increase in what they get?

Mr. WILLIAMS. As a matter of fact, they have enough funds already allocated to run the rest of the year, and I doubt seriously if there will be any further allocations made.

Mr. BELL. Unless you take over a project for some of the 500,000 which you are going to take over, in which case you would have to allocate to the agency in charge of that project part of this $250,000,000.

Senator HALE. The plan included that allocation, did it not?

Mr. WILLIAMS. The financial statement includes it; yes.

Senator MCKELLAR. Let me ask you one question, Mr. Williams. Take the National Youth Administration. You set it up under the Woodrum amendment?

Mr. WILLIAMS. Yes, sir.

Senator MCKELLAR. Now, is there an application before you to increase the amount of those allotments out of this $250,000,000 to the National Youth Administration?

Mr. WILLIAMS. No, Senator.

Senator MCKELLAR. I should think there would not be any and it seems to me this money ought to be used for people in distress and not to increase activities that are going on and for which you have already made provision and which are getting along all right. And the same would be true of the Farm Security Administration and Entomology and the Biological Survey and the Bureau of Agricultural Economics.

Mr. WILLIAMS. Senators, all the people who are getting paid under those projects are relief people.

Senator OVERTON. It all goes for relief.

Senator MCKELLAR. While the National Youth Administration would not be for relief; that would not be that way at all.

Senator BYRNES. How much is proposed for sending business to entomology: You do not put that on the same basis as feeding the hungry out in Detroit and Cleveland who are out of work?

Mr. WILLIAMS. We have no intention of increasing that at this time. I do want to get into the record that the people employed on projects of these Federal agencies are needy people who come to these jobs from relief rolls, just the same as people come to the W. P. A. from relief rolls.

Senator RUSSELL. If they did not appear here on these relief projects, they would appear on other projects that the W. P. A. sponsor?

Mr. WILLIAMS. Yes. For example, the people that work on the Navy project at Charleston come through the relief rolls just the same as those working on a W. P. A. street project in the same city.

Senator BYRNES. The result is they are working for the Federal Government instead of working for a local project of a city?

Mr. WILLIAMS. Yes, sir.

Senator BYRNES. It is somewhat difficult to understand from the way it is written up, because Mr. Alexander is not giving $50,000 for farm relief.

Mr. WILLIAMS. He is here to discuss that with you.

Senator RUSSELL. I have one other question that is not exactly on this topic, but I want to find out what effect you think this increase in appropriation, in W. P. A. activities, will have on local contributions. Do you apprehend it will reduce the percentage of local contributions or take care of this increase in the unemployed?

Mr. WILLIAMS. Well, Senator, I think the situation is such that everybody is going to have to do their utmost to meet the needs and there will be no decrease in the amount of sponsors' expenditures.

Senator RUSSELL. I was just interested to learn if you did not think it would reduce the percentage of local contributions.

Mr. WILLIAMS. I do not think it will decrease the amount of local contributions. I think the amount will increase.

Senator BYRNES. Make that plain now. You do not propose now to loosen up the requirement as to local contributions?

Senator TOWNSEND. My judgment is from some experiences that I have had lately that there will be cities and States that are able to take care of themselves and that will insist on money from this $250,000,000.

Senator BYRNES. Of course, they are going to insist upon it.

Mr. WILLIAMS. Well, Senator, our experience is that their contributions have increased right along.

Senator HALE. Mr. Williams, under the deficiency appropriation bill last year we undertook to take care of a certain number of people for work relief this year, did we not?

Mr. WILLIAMS. Yes, sir.

Senator HALE. And it was understood that you were to apportion the number that were to go on work during the different quarters of the year, and you did it?

Mr. WILLIAMS. Yes, sir.

Senator HALE. Then this depression came along and things have changed. Now, that is an emergency proposition, is it not?

Mr. WILLIAMS. Yes, sir.

Senator HALE. And you have already increased up to 2,000,000 for the month of February, and you still could get along with the reductions that you have provided for to carry out the intention of the law, could you not, but you would have to discharge a number of people?

Mr. WILLIAMS. And we would not be meeting the need.

Senator HALE. Now, what would be the situation if instead of putting on work relief of all these 700,000—you should keep the numbers on work relief where they are at the present time; and should follow your apportionment figures with 200,000 more allowed for each month through the next 4 months of the year? None would have to be discharged today. The other 500,000 could be taken care of by the States if we appropriate a certain amount of money in this bill for that purpose. You would require only about a third of what you will now get under this bill; for work relief; two-sevenths, to be accurate, and the appropriation to the States would require another third or a a saving on the total appropriation of at least one third.

Mr. WILLIAMS. Senator, if Congress desires to substitute direct relief for work, it has that power.

Senator HALE. Do you not think we ought to economize to the extent that it is possible for us to do so without doing damage?

Mr. WILLIAMS. My opinion is that a return to direct relief would not be economizing, and I can think of nothing that would be more harmful to this whole problem in the long run, than to reestablish the direct relief system.

Senator HALE. You do not expect to keep up this work relief as the future policy of the United States, do you?

Mr. WILLIAMS. So long as some form of relief is necessary I think that work relief is the better policy.

Senator HALE. It is a much more expensive policy. We could probably save money in the other way and no one would starve.

Mr. WILLIAMS. Your direct relief arrangements might produce a class of dependents that you can pretty well count on having year after year. A work program preserves the skill and efficiency of these people, and gives them a chance to go back into industry when and if industrial jobs are available. Our records prove conclusively that they have gone into industry and have been able to hold their jobs so my answer is you ought not to have——

Senator HALE. I think a good many people have gone on work relief who intend to stay on work relief if it is possible for them to do so.

Mr. WILLIAMS. Our records won't support that, Senator. Our records show that where people are able to get work they take it.

Senator HALE. Yes; but they think they may not get it steadily for a long period, so they prefer to stay where they know they will get enough to live on.

Mr. WILLIAMS. The present law provides that those who leave the W. P. A. to take jobs in private industry shall be reassigned to W. P. A. work, if still in need, when they again become unemployed through no fault of their own.

Senator ADAMS. Mr. Williams, your average cost per individual, that is, your relief individual, is $66 a month for materials and everything?

Mr. WILLIAMS. Yes, sir.

Senator ADAMS. That is a monthly cost?

Mr. WILLIAMS. Yes, sir.

Senator ADAMS. How many days' work, on an average, does that afford the individual?

Mr. WILLIAMS. Our average month is about 110 hours a month, Senator.

Senator ADAMS. Something like 20 days a month if you are working on a 6-hour day?

Mr. WILLIAMS. Yes; I would say 20 days would be a fair estimate of the average.

Senator TOWNSEND. It is less than that.

Mr. WILLIAMS. Probably in some cases less than that.

Senator BYRNES. Mr. Williams, regardless of what we may determine upon as the policy for the next year, if the Congress wanted to provide direct relief, would it be practical to take this $250,000,000 and distribute it as direct relief and then continue with the W. P. A. program?

Mr. WILLIAMS. I think it would be very difficult to institute a direct relief program at this time, to say nothing of trying to institute one alongside a work program where one man would be at work his neighbor would be on work and relief. There is no explanation you can make to a man receiving a $30 relief grant from the Federal Government if his neighbor is able to earn $60 on a Federal works program. Furthermore, the machinery for the W. P. A. program is established and operating. We are not prepared to make direct relief grants to individuals.

Senator BYRNES. If you had to set up new machinery for direct relief, it would take some time?

Mr. WILLIAMS. Yes, it would.

Senator BYRNES. If we did it, you would either have to have W. P. A. give a job to one and direct relief to the other, or we would have to give money to the States and let them use it on direct relief. That is our problem.

Senator HALE. Mr. Williams, I have been going over some of the figures given by Mr. Taber in the House debate yesterday and from others to have worked out a list of new people receiving help in one way or another from the Federal or State Governments since November 4, 1937. At the present time, W. P. A. has increased 400,000 since the first of November; has put 400,000 new people to work.

Mr. WILLIAMS. About 450,000.

Senator HALE. 450,000?

Mr. WILLIAMS. Yes, sir.

Senator HALE. And direct relief—the figures show is taking care of about 550,000 additional, is that not right?

Mr. WILLIAMS. It increased from 1,300,000 in September to 1,800,000 in January.

Mr. Ross. There is some duplication between those, of course. About 150,000 people assigned to W. P. A. work in January would also be counted in the relief figures for January, because the relief figures represent the number who received relief at any time during the month.

Senator HALE. Well, those people are receiving help of some kind from direct relief in the States. Then the old age pension list since November 1st has increased by 500,000. I am aware that this is not emergency relief. However, it is money that is being paid out to take care of people who need it. Then unemployment insurance adds to the rolls of those who are being helped; 400,000 since the first of November. Then Farm Security takes care of about 350,000 new cases of direct relief. That makes in all 2,200,000.

Mr. WILLIAMS. I think there is some mistake there.

Senator HALE. What?

Mr. WILLIAMS. I think there is some mistake there.

Senator HALE. Mr. Alexander is here, Mr. Taber stated to me that he received that information over the telephone the other day.

Mr. BALDWIN. About 150,000 are getting direct relief and about 110,000 of those got checks last month. They do not get a check every month.

Senator HALE. Then Mr. Taber was in error when he made that statement.

Mr. BALDWIN. I have not seen his statement. He may be including the number of people who are receiving loans from Farm Security.

Senator HALE. The Farm Security Administration has placed 150,000 on direct relief during each of the past 2 months. That is 300,000 more. Is that correct?

Mr. BALDWIN. No; that is not correct.

Senator HALE. Then, Mr. Taber received the wrong information over the telephone.

Senator BYRNES. He says 150,000 and that statement says 150,000.

Senator HALE. He says 150,000 for the past 2 months.

Mr. BALDWIN. One hundred and fifty thousand is the total number of active grant cases we had.

Senator HALE. That was the total number of cases on direct relief on Farm Security?

Mr. BALDWIN. That is right.

Senator HALE. Are you contemplating putting more on in the next 4 months?

Mr. BALDWIN. We will put them on when they are needed; yes, sir. I think there will be an increase perhaps from 25,000 to 40,000.

Senator HALE. Then you do not expect to take care of more than 200,000?

Mr. BALDWIN. No, sir.

Senator HALE. Very well. Let me keep on.

Senator RUSSELL. I do not think it is necessary for the telephone or the Farm Security to be mistaken. It is shown in the revenue.

Senator HALE. If it is only 150,000, that would give, in round figures, 1,700,000 the present increases show in Government and State help since November 1. Now, if this bill passes, 500,000 additional will go on work relief but the same number will go off direct relief so that makes no change and another 40,000 will be added under Farm Security relief. Regardless of this bill another 400,000 will be added under unemployment insurance in the next 4 months, and if 100,000 new cases per month are added to the old age pension rolls that makes 400,000 for the next 4 months or a total of 840,000, or a grand total of 2,540,000 who will be receiving new help from the Government or the States on July 1, 1938. I ask leave to insert a table in the record showing these figures.

Present increase in those receiving aid from Government or State since Nov. 1, 1937:		
Work relief	$450,000	
Direct relief	500,000	
Old-age pensions	200,000	
Unemployment insurance	400,000	
Farm Security relief	150,000	
		$1,700,000
Additional estimated increases up to July 1, 1938, including increases, if any, caused by passage of this bill:		
Farm Security relief	40,000	
Old-age pensions	400,000	
Unemployment insurance	400,000	
		840,000
Total		2,540,000

Senator ADAMS. But, Senator Hale, your insurance figures would not be affected by the passage of this bill. You are speaking of an increase by virtue of the passage of this bill. That does not affect the number of folks that are put on the rolls in the Social Security Administration at all.

Senator HALE. I do not see that this bill effects employment insurance in any way at all. It does not. I am simply stating that the country is taking care in one way or another of about 2,540,000 new people since November 1 and up to July 1, 1938. Whether adequately or not, I do not say, but it is taking care of them in some way, and that to a certain extent partially balances the 3,000,000 who have lost their employment. Of course, they are not all the same people.

Mr. WILLIAMS. Senator, I don't believe it adds to that.

Mr. Ross. There are several hundred thousand duplications, of course. As I pointed out a minute ago, the January figures include families who received relief at any time during the month of January, so the people who were transferred to the W. P. A. during January were included in both the relief and the W. P. A. totals.

Senator HALE. Is it not true that more people are being taken care of now than at any other period in the past?

Mr. Ross. No, sir.

Senator HALE. How many were taken care of in 1933?

Mr. Ross. We submitted a statement on page 76 of the House hearings.

Senator ADAMS. Was not the high point in 1936?

Mr. Ross. The high point was in the winter of 1933–34. We estimated this on the basis of total persons, including dependents in the families, and on that basis at the peak in 1934 there were 29½ million persons being assisted.

Senator HALE. I know, but how many people were receiving benefits? I mean directly were being paid benefits to be used for their families?

Mr. WILLIAMS. Twenty-nine and a half millions were in families already receiving benefits in 1934 as against approximately 18,000,000 now.

Senator HALE. When you take that figure, you are taking into consideration unemployment insurance or old-age pensions?

Mr. WILLIAMS. We should compare the people who are in need now with the number really in need in 1932, even though they were not getting assistance.

Senator HALE. I am not talking about 1932. I am talking about 1933 or 1934.

Senator BYRNES. There is no question that the number of people who are receiving assistance of some kind has greatly increased.

Senator HALE. I think it has greatly increased.

Senator BYRNES. We all know that. It is simply a question of figures. If you want the witness to get the figures, give him the list and he will check it up on that list and see whether or not he is correct. It is pretty difficult for him to carry it in his mind.

Senator TOWNSEND. Have you any decided opinions about the cause of this unemployment in recent months?

Mr. WILLIAMS. Senator, there are so many different opinions and there are so many different reasons given—and which of them are valid, I wouldn't want to say—but I haven't anything new to contribute on that.

Senator TOWNSEND. Have you a decided opinion as to whether or not the Government's spending in a large way will increase employment?

Mr. WILLIAMS. I do on that sir. I believe the root of our difficulty is lack of purchasing power and I think in a situation like this that the Federal Government is the only agency that can move into the emergency and supply a certain amount of purchasing power in a quick and we hope, effective, efficient, and fair way.

Senztor TOWNSEND. Do you think then that the great improvement in 1936 and 1937 was due largely to Government spending?

Mr. WILLIAMS. I think the Government spending had a direct bearing on it.

Senator BYRNES. Mr. Williams, coming back to the resolution, could you look at the second page and tell me under the language of the appropriation bill for this year how many aliens were stricken from the rolls.

Mr. WILLIAMS. About 70,000, Senator.

Senator BYRNES. There is some language that was added to the resolution on the floor of the House.

Mr. WILLIAMS. Yes, sir; and I am very glad to have that brought up.

Senator BYRNES. I think I introduced that amendment last year and I want to know whether the W. P. A. is in favor of the resolution having this language in the last three lines:

> Unless such alien has resided continuously and lived honorably in the United States since January 1, 1928, and is ineligible under the laws of the United States to become a citizen.

How would you administer that?

Mr. WILLIAMS. Well, Senator, we have no objections to that part of the amendment, but I think it would present some very serious administration problems.

Senator BYRNES. You mean to read, "Unless such alien is ineligible under the laws"? But how are you going to determine whether the alien is living honorably or not?

Mr. WILLIAMS. It is very difficult for me to see how we could determine that.

Senator BYRNES. You have got to have quite a force.

Mr. WILLIAMS. Yes; to investigate and determine that. The truth of the matter is the present amendment in the law has made for the elimination of any aliens of that character, if there were such, and it is our opinion that this amendment will require that every W. P. A. worker would have to prove his citizenship, or his good character. I do not believe that was the intention of Congress.

Senator ADAMS. May I call your attention to this? I get a little different viewpoint than you. It seems to me it is broadening and expanding relief to aliens. As I know the present law, you have first eliminated aliens unlawfully in the United States. Then you have eliminated aliens who have not declared their intention to become citizens. Now, this includes not only aliens who have declared their intention but other aliens who have resided continuously and honorably in the United States.

Senator BYRNES. No doubt about that being the effect of it, whether it was the intention or not.

Senator RUSSELL. I think there is a hiatus in our naturalization laws, because of the fact that due to certain immigration laws that were passed and due to some oversight, there is a class of aliens who entered the country illegally between 1920 and 1924 who cannot become citizens and I think this must have prompted that language.

Senator TOWNSEND. Have you any estimate of the aliens that are now on the roll?

Mr. ROSS. Practically none right now after we dropped 72,000.

Senator TOWNSEND. If you have none left, that is all there is to it.

Senator BYRNES. Because of the amendment to the last appropriation bill. Now, this resolution without this proviso will have the existing law apply to the $250,000,000 provided in this fund if the proviso were stricken out. You still have the prohibition against the alien receiving a W. P. A. job when he has not filed a declaration of intention to become a citizen. But if this proviso is continued, it does broaden the base and it will permit aliens to come in and get jobs.

Mr. GILL. There is another feature, if I might mention it, Mr. Chairman. With this provision in as it was introduced and passed yesterday, it applies to the $250,000,000 only and not to the former appropriation. Therefore, duplicate accounts would have to be established all through the accounting and reporting system, separating this $250,000,000 from the previous appropriation. Furthermore, the Comptroller General would undoubtedly require definite evidence of citizenship before anybody on the administrative or project pay rolls could be paid, and on each subsequent pay roll opposite his name would have to be reference as to where that proof could be found. Administratively, it would be very difficult, and it would cost a great deal of money.

Senator BYRNES. And there is another point. Even with this, if the present condition in business continues, you will have some employables on the rolls in the State who would be able to secure jobs with W. P. A. American citizens, and it would be permitting the group of aliens who come under this definition to get jobs when American citizens who are on the rolls and are eligible could not get them.

Senator ADAMS. I can give you one group that are specifically included and that is Japanese, Chinese, and those of races that are not eligible for citizenship. This would include the anarchists who are not eligible for citizenship.

Mr. WILLIAMS. The administration of this provision would be infinitely more difficult than the present law.

Senator ADAMS. We will take that up later.

Are there any other questions?

Senator RUSSELL. Mr. Williams, I want to help put in the record something I have never been able to put there and that is a table that will show the wage scales of the various States; in other words, the wage scale for common labor which runs from $21 to $48—I want that shown, including New York City. I want to establish the differential that has been fixed by the W. P. A. throughout the entire United States.

Mr. WILLIAMS. All right, sir.

(The material referred to follows:)

SECURITY WAGE SCHEDULE FOR WORKS PROGRAM WORKERS

At the initiation of the works program in 1935 under authority of the Emergency Relief Appropriation Act of that year, a wage policy was adopted that was intended to provide a monthly income for workers sufficient to meet the minimum needs of an average-size family in the communities where the workers were employed. This policy was embodied in Executive Order No. 7046, which contained a specific schedule of monthly security wages providing for variation in monthly rates of pay according to the skill of the worker, to the region of the country, and to the size of the largest city in the country in which the worker is employed. The wage schedule, together with a list of the States included in each region (as now defined) for which different monthly wages were specified, is shown below:

TABLE 5.—*Schedule of monthly earnings of security wage workers established by Executive Order No. 7046*

Wage rate region [1]	Urbanization group [2]				
	(A)	(B)	(C)	(D)	(E)
Unskilled work:					
Region I	$55	$52	$48	$44	$40
Region II	45	42	40	35	32
Region III	35	33	29	24	21
Intermediate work:					
Region I	65	60	55	50	45
Region II	58	54	50	44	38
Region III	52	48	43	36	30
Skilled work:					
Region I	85	75	70	63	55
Region II	72	66	60	52	44
Region III	68	62	56	48	38
Professional and technical work:					
Region I	94	83	77	69	61
Region II	79	73	66	57	48
Region III	75	68	62	53	42

[1] The States included in each wage rate region as of August 1937 are as follows:
Region I.—Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin, Arizona, California, Colorado, Idaho, Iowa, Montana, Nebraska, Nevada, North Dakota, New Mexico, Oregon, Utah, South Dakota, Washington, Wyoming, parts of Kentucky, and Missouri.
Region II.—Kansas, Delaware, District of Columbia, Maryland. West Virginia, parts of Missouri, and Texas.
Region III.—Arkansas, Louisiana, Oklahoma, Virginia, Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, parts of Kentucky, and Texas.

[2] Urbanization groups are defined as the groups of counties in which the 1930 population of the largest municipalities was as follows: Over 100,000, group A; 50,000 to 100,000, group B; 25,000 to 50,000, group C; 5,000 to 25,000, group D; under 5,000 group E.

Senator ADAMS. You asked for a table of contributions by States. Did you want to include the contributions from a city when a city is separate from a State, such as New York?

Senator RUSSELL. Well, they run New York City separate from the State. The others are all combined.

WORKS PROGRESS ADMINISTRATION THEATER

Just how do these various theater projects that they run, or that the W. P. A. runs—who is the head of these projects? I just want a little information about it.

Mr. WILLIAMS. They are part of our regular work program and administratively I am the head of them. Then coming under me is Mrs. Woodward; she is Assistant Administrator, and then under her is Mrs. Flanagan, who actually runs it.

They are run as a rather separate thing from the local and State organizations. They are not generally a part of the State administration.

Senator TOWNSEND. Have you the cost of those segregated from other costs?

Mr. WILLIAMS. Yes; we have.

Senator TOWNSEND. They will appear in the record?

Mr. WILLIAMS. Yes.

NOTE.—Total expenditures on the Federal Theater project from funds earmarked for the fiscal year 1938 aggregated $6,401,296 from July 1, 1937, through January 31, 1938.

Senator RUSSELL. Do the plays originate with the State or is the local subdivision the sponsor, or do you have the plays written here and send them out to the States to be displayed?

Mr. WILLIAMS. Mrs. Flanagan has a play policy board which recommends possible plays to theater units throughout the country. From this list the local directors select the plays and schedule them for production. Most of the plays are written by outside playwrights and we pay a royalty for them. Sometimes plays are written on the theater project.

Senator RUSSELL. Plays are selected here in Washington?

Mr. WILLIAMS. Plays are approved for production by the aforementioned play policy board which has headquarters in New York City. The decision to produce rests with the local director.

Senator BYRNES. That play in New York that was put on recently was put on by Mrs. Flanagan—this play about the Senators?

Mr. WILLIAMS. Yes.

Senator TOWNSEND. Do they charge admission?

Mr. WILLIAMS. Yes.

Senator RUSSELL. What becomes of the money that is taken in at the gate?

Mr. WILLIAMS. That goes the same way as the sponsor's contribution. It is put back into paying for nonlabor costs and all that sort of thing.

Senator RUSSELL. I notice from the public press that they were going to take this particular play that represents some of the Members of the Senate—I don't know whether it reflects on them or not, but there has been some dispute in the public press about that—and make it a part of the world's fair in New York next year. Would the W. P. A. have anything to do with that, or will that be a private project?

Mr. WILLIAMS. There is nothing definitely planned in connection with the World's Fair at all. We have appointed a representative who is trying to work out a program in cooperation with the world's fair organization but nothing definite has been decided. The play One Third of a Nation will have been closed by that time, and it is quite unlikely that it would be revived for the world's fair.

Senator BYRNES. You say it could do it? Are you going to do it?

Mr. WILLIAMS. Well, I would think on that type of play that it would not last more than 3 or 4 or 5 weeks at the most.

Senator BYRNES. Are you going to try it for 3 or 4 or 5 weeks at the fair?

Mr. WILLIAMS. Senator, let me say this: I have looked into that particular play and I have made this statement to the committee in the House and I make it here. I don't care. Any theater that

ridicules anyone is wrong. I think it is unfair and it is not the proper and right thing to do, and I have had Mrs. Flanagan see one of the Senators who was involved to discuss the whole matter with him. She feels very strongly that there is nothing in it that he would object to but the press took some things and distorted them. Of course, my position is that the effect is the same. If he feels that way, that's the important thing. If a man feels he is ridiculed, that's the important thing here.

Senator RUSSELL. I do not know a thing about this play but I think we are setting some very dangerous precedent in this country where you take figures in public life and they are exalted or they minimize them with funds that come from the Public Treasury. I do not think that any play that is operated here ought to be propaganda to try to ridicule any man in office or to reflect on any man anywhere that happens to be holding a public office. That is my individual advice.

Senator BYRNES. Where is Mrs. Flanagan from?

Mr. WILLIAMS. Vassar. Her home is in Poughkeepsie and she taught at Vassar College.

Senator TOWNSEND. What would your feeling be about it? This being the taxpayers' money, would you think a play should be more carefully censored?

Mr. WILLIAMS. The matter of running a theater out of W. P. A. funds has been a source of concern to us. We believe fundamentally it is a good thing and we believe that actors and other members of the theatrical profession who are unemployed have the same right to be given work that is in their line as anyone else, but to have a theater which is not censored and which is a genuine theater has been a difficult thing. I think on the whole that we can say this: that it has been very successful. It has provided entertainment at a low cost and over the 2 years it has kept away from doing violence to either the church, to family life, or to men in public life, or otherwise, but occasional incidents have occurred which to us are regrettable.

Senator TOWNSEND. The question I am asking is, Do you think that the taxpayers' money that is spent in these places should be more carefully censored than a play from a private institution?

Mr. WILLIAMS. Well, on the whole, Senator, I don't think so. I think the theater in France has been supported by public funds. It has been so for years and years, and it is a free theater; one of the finest of course, in history.

Senator TOWNSEND. I do not think I can entirely agree with you. I think when the taxpayers' money is spent, it certainly should be very carefully censored when it is going to the public than a man who is spending his own money.

Mr. WILLIAMS. Well, I get a certain shock when I see a certain play like that in which they seem to ridicule the President. I may be kind of old-fashioned but it is a little difficult to go down with me, yet——

Senator BYRNES. Would you not agree to the Senator's statement that the man who is putting on a play and paying for it out of his own pocket—that it is a difficult thing to pay out of your pocket and put on a play to ridicule you? In one case you are taking a chance with your own funds, but then when you have got to pay people to ridicule you, that is a different thing.

Senator ADAMS. Would you not think if the matter is debatable that the answer ought to be very easy?

Mr. WILLIAMS. I don't believe in ridicule at all.

Senator BYRNES. What the Senator asked is, when it came to the taxpayer paying money if it should not require a little more care than when an individual put up his money?

Senator RUSSELL. I am not at all sensitive. They can say what they please or what they want to in plays, but I think as a matter of principle they should be discouraged from ridiculing men in public office. While I am not sensitive about our class, I am somewhat sensitive about my State. I understand they had a play a year or two ago in which they depicted conditions around a turpentine farm—if it was in my State. Conditions might be very bad on a turpentine farm, but I don't think they are as bad as they portrayed them.

Senator NYE. What is this contract-labor issue that has been presented to some of us in recent days?

Mr. WILLIAMS. With your permission could I ask Colonel Harrington to answer that?

Senator NYE. Whoever could.

Colonel HARRINGTON. The question of whether to use force account or contract methods for carrying on the W. P. A. program is one that has been under continuous discussion ever since I have been on duty with the organization.

I would like to say that I am detailed with the Works Progress Administration from the Corps of Engineers of the Army and therefore I am quite familiar with contract methods. I have administered many contracts and believe it is the best way to do a great many classes of work, but in a program which has to expand and reduce as the W. P. A. program does, I think that essentially you have to use force account rather than contract methods in order to get the flexibility that you must have. To illustrate that I would like to say that from September 1931 to March 1938, if this appropriation is granted we will have to increase our employment from 1,450,000 to 2,500,000; in other words, by over a million. I believe, and according to my best judgment and in the light of a rather considerable experience would say, that it would have been impossible to do that if we were doing our work by contract.

Senator NYE. Thank you.

Senator ADAMS. Now, under your War Department work and these appropriations, all of the employees are off the relief rolls?

Colonel HARRINGTON. The present percentage is 97 percent from relief rolls.

Senator ADAMS. That is pretty near all.

Senator OVERTON. Take this item on page 47 of the House hearings, continuance of construction of the Marshall Ford Dam on the lower Colorado River near Austin, Tex., and irrigation in the Yellowstone Valley adjacent to the city of Glendive, Mont., $6,805,000. Do all these laborers come off relief rolls on those projects?

Mr. WILLIAMS. They take people from relief rolls when relief people are qualified to do the work on those projects.

Senator OVERTON. Was that a local relief project?

Mr. WILLIAMS. Such people are certified as in need of relief by local agencies.

Senator RUSSELL. Could you get enough labor certified?

Mr. WILLIAMS. They may bring some workers in from nearby localities.

Senator NYE. Are you aiming to have Mr. Alexander before the committee to testify?

Senator ADAMS. Yes. He is available here at least. Does anybody else have any questions for Mr. Williams? If not, we will ask you to step aside. You will be here for a little bit so if some question comes up, you will be available.

STATEMENT OF DANIEL W. BELL, ACTING DIRECTOR OF THE BUDGET

Senator ADAMS. Mr. Bell, you probably have some information that we ought to have about this general situation.

Mr. BELL. Mr. Chairman, I have no more information than I have already put in the House hearings, except a large statement which we have made up on the basis of the January figures, which were not available at the time of the House hearings. I shall be glad to insert it in the record.

Senator ADAMS. We shall be glad to have it.

(The statement is as follows:)

Comparison of relief funds available for obligation after Jan. 31, 1938, with obligations incurred from July 1, 1937 to Jan. 31, 1938 and total funds available for obligation during the fiscal year 1938, under the provisions of the Emergency Releif Appropriation Act of 1937

[000 omitted]

Agency	Unobligated balances on Jan. 31, 1938	Reserved for allocation after Jan. 31, 1938	Available for obligation after Jan. 31, 1938	Obligated from July 1, 1937–Jan. 31, 1938	Total funds available for the fiscal year 1938
Works Progress Administration:					
Administration	$11,653	$15,556	$27,209	$37,791	$65,000
National Youth Administration	5,576	16,300	21,876	28,124	50,000
Other projects	185,065	310,801	495,866	689,134	1,185,000
Total	202,294	342,657	544,951	[1] 755,049	1,300,000
Farm Security Administration:					
Administration [2]	8,795	----------	8,795	12,496	21,291
Direct relief [3]	9,556	----------	9,556	11,199	20,755
Loans	8,113	26,302	34,415	17,887	52,302
Rural-rehabilitation projects [4]	8,067	----------	8,067	19,488	27,555
Land-utilization projects	4,818	----------	4,818	8,247	13,065
Total	39,349	26,302	65,651	69,317	134,968
Puerto Rico Reconstruction Administration:					
Administration [5]	149	----------	149	211	360
Projects [6]	10,453	1,246	11,699	5,511	17,210
Total	10,602	1,246	11,848	5,722	17,570
Agriculture (except F. S. A. above):					
Administration	557	----------	557	933	1,490
Bureau of Public Roads (revised)	10,376	----------	10,376	6,395	16,771
Other projects [7]	6,325	92	6,417	12,312	18,729
Total	17,258	92	17,350	19,640	36,990
Commerce:					
Administration	122	----------	122	178	300
Projects [7]	29	----------	29	43	72
Total	151	----------	151	221	372
Interior (except P. R. R. A. above):					
Administration	557	----------	557	697	1,254
Reclamation Service	4,790	----------	4,790	6,315	11,105
U. S. Housing Authority [8]	6,251	----------	6,251	716	6,967
Other projects [7]	2,883	----------	2,883	7,060	9,943
Total	14,481	----------	14,481	14,788	29,269

See footnotes at end of table.

Comparison of relief funds available for obligation after Jan. 31, 1938, with obligations incurred from July 1, 1937 to Jan. 31, 1938 and total funds available for obligation during the fiscal year 1938, under the provisions of the Emergency Relief Appropriation Act of 1937—Continued

[000 omitted]

Agency	Unobligated balances on Jan. 31, 1938	Reserved for allocation after Jan. 31, 1938	Available for obligation after Jan. 31, 1938	Obligated from July 1, 1937 to Jan. 31, 1938	Total funds available for the fiscal year 1938
Justice:					
Administration [9]	567		567	693	1,260
Projects [7]	16		16	24	40
Total	583		583	717	1,300
Labor:					
Administration [10]	554	4,100	4,654	5,376	10,030
Projects [7]	14		14	236	250
Total	568	4,100	4,668	5,612	10,280
Navy:					
Administration	56	117	173	240	413
Projects	4,054		4,054	5,831	9,885
Total	4,110	117	4,227	6,071	10,298
State:					
Administration	1		1	4	5
Projects	5		5		5
Total	6		6	4	10
Treasury:					
Administration	8,829	1,700	10,529	12,603	23,132
Work Relief Supply Fund, 1938	3,000		3,000		3,000
Projects [7]	641		641	1,309	1,950
Total	12,470	1,700	14,170	13,912	28,082
War:					
Administration	110		110	80	190
Flood control, statutory	39,963		39,963	[11] 12,537	52,500
Flood control, other [7]	872		872	1,685	2,557
Other projects [7]	8,163	1,733	9,896	6,503	16,399
Total	49,108	1,733	50,841	20,805	71,646
Census of partial employment	1,537	2,500	4,037	963	5,000
Coordinator for Industrial Cooperation				6	6
Employees' Compensation Commission	26,838		26,838	3,085	29,923
Federal Emergency Relief Administration	974		974	[12] 77	[13] 897
General Accounting Office	1,938		1,938	2,495	4,433
Library of Congress	56		56	103	159
National Emergency Council	133		133	452	585
National Resources Committee [7]	202	100	302	523	825
Prison Industries Reorganization Administration	12	40	52	68	120
Public Works Administration [14]	997		997	8,638	9,635
Rural Electrification Administration:					
Administration	3		3		3
Projects	57		57	4	61
Total	60		60	4	64
Total all agencies	383,727	380,587	764,314	928,118	1,692,432
Reserved for allocation not distributed by agencies		8,741	8,741		8,741
General reserve [15]		37,822	37,822		37,822
Grand total, including funds transferred	[16] 383,727	427,150	810,877	[17] 928,118	1,738,995
In process of transfer from prior appropriations		4,400	4,400		4,400
Total, including funds in process of transfer	[18] 383,727	431,550	85,277	928,118	[19] 1,743,395

[1] Net obligations incurred against funds continued available after June 30, 1937, and against funds allocated under the Emergency Relief Appropriation Act of 1937. There were adjustments in funds which ceased to be available on June 30, 1937, which reduced obligations shown as of June 30, 1937, by $13,380,000, making net obligations as shown by the Treasury, $741,669,000.

[2] Includes funds for administering land-utilization projects.

[3] Includes funds transferred to other agencies.

[4] Includes funds transferred to other agencies.

[5] Represents balances of funds continued available after June 30, 1937, and obligations against such balances. Other expenditures for administration are included under Interior.

[6] Does not include rural rehabilitation projects under the Emergency Relief Appropriation Act of 1937 allocations for which are made to the Farm Security Administration.

[7] Exclusive of projects operated with funds allocated to the Works Progress Administration.

[8] Part of the projects formerly prosecuted by the Public Works Administration were transferred to this Administration Nov. 1, 1937. Obligations prior to that date are included under the Public Works Administration.

[9] Represents almost entirely work necessary in connection with land acquisition by other agencies with funds obligated prior to June 30, 1937.

Comparison of relief funds available for obligation after Jan. 31, 1938, with obligations incurred from July 1, 1937 to Jan. 31, 1938 and total funds available for obligation during the fiscal year 1938, under the provisions of the Emergency Relief Appropriation Act of 1937—Continued

[10] Includes administration of U. S. Employment Service.

[11] Includes $7,500,000 transferred to regular appropriation of the War Department.

[12] Excess of credits in connection with adjustments in obligations incurred prior to June 30, 1937.

[13] Represents the amount continued available June 30, 1937, less $163,000 transferred to the Public Health Service.

[14] All housing projects and most of the funds available therefor were transferred to the U. S. Housing Authority on Nov. 1, 1937.

[15] In addition to the amount shown here there was $4,400,000 in process of transfer to the appropriation in the Emergency Relief Appropriation Act of 1937 from earlier appropriations, making the total general reserve $42,222,000 as of Feb. 10, 1938. This will be increased as additional funds become available for transfer to an unallocated status.

[16] This represents only allocated funds available for obligation by the agencies holding the same. Total unobligated funds on January 31, 1938, were as follows:

[In thousands]

Available for obligation without reallocation		$383,727
Funds no longer available for obligation by agency holding the same but which are available for reallocation	$38,351	
Unallocated balances:		
Emergency Relief Appropriation Act of 1935	9,183	
Emergency Relief Appropriation Act of 1936	4,146	
Emergency Relief Appropriation Act of 1937	375,470	
		427,150
Total under Emergency Relief Appropriation Acts of 1935, 1936, and 1937		810,877
In process of transfer from other appropriation acts		4,400
Total all available appropriations		815,277

[17] The Treasury reports show obligations incurred from July 1, 1937, to January 31, 1938, as $890,406,000. The difference is due partly to adjustments in obligations entered on the books of the Treasury prior to June 30, 1937.

[In thousands]

Obligations as shown		$928,118
Deduct:		
Adjustments Bureau of Public Roads	$11,684	
Funds transferred to regular appropriation War Department	7,500	
Adjustment Works Progress Administration	13,380	
Adjustments other agencies holding funds no longer available for obligation without reallocation	5,148	
		37,712
Obligations as shown in Treasury Report Jan. 31, 1938		890,406

[18] Distributed as follows:

[In thousands]

Unobligated balances of allocations made on or before June 30, 1937, and continued available without reallocation:		
Emergency Relief Appropriation Act of 1935		$29,603
Emergency Relief Appropriation Act of 1936		31,621
Total		61,224
Unobligated balances of allocations under the Emergency Appropriation Act of 1937		322,503
Total unobligated balances on Jan. 31, 1938		383,727

[19] Of this amount $52,500,000 represents the statutory allocation for flood control leaving $1,690,895,000 available to the President. The $1,743,395,000 was made available as follows:

[In thousands]

Direct appropriation, Emergency Relief Appropriation Act of 1937		$1,500,000
Emergency Relief Appropriation Acts of 1935 and 1936:		
Unobligated balances June 30, 1937	$205,344	
Adjustment in accounts of Bureau of Public Roads	11,684	
Adjustments after June 30, 1937 accounts of other agencies holding funds no longer available for obligation without reallocation:		
Works Progress Administration	13,380	
All others	5,148	
		*235,556
Unobligated balances transferred from appropriations in prior acts:		
Emergency Relief Appropriation Act, fiscal year 1935:		
From funds to meet the emergency and necessity for relief in stricken agricultural areas	1,150	
From funds for emergency relief and public works	1,050	
Fourth Deficiency Act, fiscal year 1933:		
From funds for National Industrial Recovery Act approved Feb. 15, 1934	1,149	
From funds for emergency relief and civil works	90	
		3,439
Total including funds transferred to Jan. 31, 1938		1,738,995
In process of transfer from prior acts		4,400
Grand total		1,743,395

*Of this amount $109,712,000 was continued available after June 30, 1937 without necessity for reallocation by the President.

Senator HALE. Can you tell us briefly what the figures show?

Mr. BELL. The first heading on the statement is:

Unobligated balances on January 31, 1938—

The next column is headed:

Reserved for allocation after January 31, 1938.

In other words, various agencies indicated will get the money tentatively set aside for them.

Senator HALE. What are those balances?

Mr. BELL. The Works Progress Administration will get approximately $343,000,000 out of the money available, and the Farm Security Administration will get $26,000,000.

Senator HALE. That is from former appropriations?

Mr. BELL. That is from the billion and a half dollars appropriated in the Emergency Relief Appropriation Act of 1937, plus the unobligated balances carried over; yes, sir.

Senator HALE. So the amount you have on hand at the present time is how much?

Mr. BELL. Are you talking about the Farm Security Administration now?

Senator HALE. No, no; the whole W. P. A.

Mr. BELL. The Works Progress Administration had available on January 31, 1938, to last for 5 months, $545,000,000.

Senator TOWNSEND. Do you mean by that that there is that much available which has not been committed?

Mr. BELL. That is right; not obligated.

Senator ADAMS. At the beginning of the fiscal year, when this billion and a half, plus unobligated balances, became available, there was a certain amount of unobligated balances. What amount of those unobligated balances has been expended up to this time? Let me also, in the same inquiry, ask whether the unobligated balances have been expended in the same proportion that money has been drawn from the billion and a half.

Mr. BELL. It is a little difficult to separate them, Senator Adams, because all have gone into one pot.

Senator ADAMS. What I am asking is, you understand, as to whether or not the unexpended balances are being carried along, and the money drawn out of the appropriation.

Mr. BELL. It is being drawn out of the billion and a half fund, plus the unobligated balances which have been transferred from previous appropriations. In my statement before the House committee, I set that up like this:

[000 omitted]

Direct appropriation	$1,500,000
Unobligated balances continued available to agencies holding the same	109,700
Unobligated balances available for transfer and reallocation (revised estimate)	133,700
Total	1,743,400
Less statutory allocation for flood control	52,500
Available to the President	1,690,900

Senator ADAMS. Of the $109,000,000 that was the unobligated balance at that time, what does your report show is now available, or was available on the 31st of January?

Mr. BELL. We can put that figure in the record; but it is quite a job to go through the various allocations.

Senator ADAMS. If it is not too big a job, I wish you would do that.

Mr. BELL. I could not do it sitting here at the table, but I shall be glad to put it in the record. I find that the balance remaining unobligated from this $109,000,000 was $61,000,000 on January 31, 1938.

Senator HALE. How much money is available from the appropriation and from the unobligated balances to spend during the rest of this fiscal year?

Mr. BELL. As a total?

Senator HALE. Yes.

Mr. BELL. There is $815,000,000 available for obligation after January 31, 1938 for all agencies including W. P. A. and Farm Security.

Senator ADAMS. Is there any other information you can give us, Mr. Bell, that will help us, that you have available there?

Mr. BELL. That is all I brought with me, Senator.

Senator NYE. May I make an inquiry, Senator? Has a definite commitment been made to the Farm Security Administration of these unobligated balances as yet?

Mr. BELL. That Administration has been promised up to $30,000,000, Senator.

Senator ADAMS. That $30,000,000 comes out of the $42,000,000 that the President had subject to his disposition?

Mr. BELL. That is right; yes, sir.

Senator ADAMS. So that when he makes that allocation, if he makes it, there will be just $12,000,000 left?

Mr. BELL. That is right.

Senator HALE. Are there any other funds that could be used by the W. P. A.?

Mr. BELL. No, sir; these are all the funds.

You spoke a while ago about these various departmental projects; but I want to make it clear that they are the same as W. P. A. projects, and if you stop the projects in the departments that will just throw that many people out of work and over on W. P. A. These projects are approved by the W. P. A.

Senator HALE. But have they not enough money already allotted to them to take care of them?

Mr. BELL. For the present program of employment; yes. If the W. P. A. finds a project in the War Department that would be a good W. P. A. project on which to take some of these 500,000 additional employees, then they would allot some of the $250,000,000 to the War Department to carry on that project.

Some question was directed at the $47,000,000 given to the Corps of Engineers for flood control. Those are essentially W. P. A. projects. Furthermore, $45,000,000 of that amount was earmarked by the Congress for flood-control purposes in the War Department Civil Appropriation Act.

Senator HALE. Do they employ entirely W. P. A. workers?

Mr. BELL. Yes, sir. Except that 5 percent may be devoted to supervision. These are not necessarily in need of relief.

Senator HALE. To administration?

Mr. BELL. Yes, sir; but, largely speaking, it is for W. P. A. relief employees.

Senator ADAMS. As a matter of fact, you are practically restricted by law to the 5 percent. No; that is one of the excluded items.

Mr. BELL. Yes, sir; but I am speaking, not of the administrative expenses, but of the superintendence of the job. That is part of the project work.

Senator ADAMS. All right; if there are no other questions, you are excused.

STATEMENT OF ARTHUR J. ALTMEYER, CHAIRMAN OF THE SOCIAL SECURITY BOARD

Senator ADAMS. Mr. Altmeyer, I think Senator Hale has some inquiries he wishes to direct to you.

Senator HALE. I want to find out the present situation about old-age insurance and unemployment insurance, and the numbers that are on the rolls under these two headings.

Mr. ALTMEYER. First with regard to unemployment insurance, 22 States and the District of Columbia are now paying benefits. We have daily telegraphic reports as to the number of persons who have filed claims, the number of claims allowed, the number of claims denied, and the number of claims pending. The last report we have carries through last Saturday.

As of the close of business last Saturday, 2,476,000 persons had filed claims for benefits. Of that number, action had been taken on 1,352,000.

Senator TOWNSEND. What percentage of the population is in those 22 States?

Mr. ALTMEYER. About 52 percent.

Of the number of determinations, 1,144,000 constituted allowances of claims, and 198,000 constituted denials.

Of the number of cases allowed, a great many, of course, will find work before a check is actually issued, because under all these laws there is a waiting period ranging from two to four weeks. However, there had been issued down through last Saturday 747,000 checks. In many instances more than one check has been issued to the same individual; so when you asked me whether 400,000 was a good guess as to the number of separate individuals who have received checks, I said I thought so.

Senator HALE. That is unemployment insurance?

Mr. ALTMEYER. This is all unemployment insurance. I said I thought that was a good guess.

Senator HALE. That has all been done since November 1?

Mr. ALTMEYER. Since January 1, with the exception of Wisconsin.

Senator HALE. I took November 1 because that was the time the present depression became acute.

Mr. ALTMEYER. The benefits only started being payable in all these States, with the exception of Wisconsin, since January 1.

Senator HALE. What is the average amount allowed per case?

Mr. ALTMEYER. About $10.

Senator HALE. $10 a month?

Mr. ALTMEYER. $10 a week. We estimate that for the present calendar year as a whole, about $225,000,000 will be paid out; and for the first 6 months of this calendar year 90 to 100 million dollars may be paid out.

Senator HALE. All of that comes from money paid by the States?

Mr. ALTMEYER. Yes.

Senator TOWNSEND. What amount of money has been paid into the fund?

Mr. ALTMEYER. As of January 31st, there had been paid in by the States $681,000,000.

Senator TOWNSEND. And that was paid in by 60 percent of the population?

Mr. ALTMEYER. Oh, no; this $681,000,000 covers all of the States and Territories.

Senator TOWNSEND. Oh, they are all paying in?

Mr. ALTMEYER. Yes.

Senator HALE. You have no way of knowing what percentage of the people come from the W. P. A. rolls; have you?

Mr. ALTMEYER. Few of them; because, you see, these people are persons who have developed rights through employment in private industry, and the rights are based upon employment during 1937. I should say, so far, there is not more than a handful from W. P. A.

Senator ADAMS. Mr. Altmeyer, to what extent in these other lines of social-security work is there a relief of the Works Progress load?

Mr. ALTMEYER. There is very little relief of the Works Progress load in any of the other social-security categories. Old-age assistance, for example, applies to those 65 years of age and over, except that in your State of Colorado it has gotten down to 60. Of course aid to dependent children applies to children up to, usually, the age of 16; and in the case of aid to the blind, most of those are unemployable. The number is small, anyway, in the case of the blind.

Senator HALE. Very few come from the W. P. A. rolls?

Mr. ALTMEYER. Yes, sir. Do you want me to give you the figures on that, or not?

Senator ADAMS. Yes; I suggest that you put them in the record.

Senator HALE. I should like to have you give them now, in a general way.

Mr. ALTMEYER. I will give you a summary.

During December, under the three categories of the Social Security Act, the following persons or cases were being aided:

Old-age assistance, 1,582,144.

Aid to dependent children, 211,969 families, which covered 527,101 children.

Aid to the blind numbered 43,784 cases.

Senator HALE. You say very few of these come from the W. P. A. rolls?

Mr. ALTMEYER. Yes.

Senator HALE. They come, however, from families where some member of the family is on the W. P. A. rolls; do they not?

Mr. ALTMEYER. Very, very few. As I recall the figures, a check was made of these various categories, and only 5 or 6 percent are receiving relief.

Senator HALE. Only 5 or 6 percent of those who were actually on the list?

Mr. ALTMEYER. In these categories; yes. I do not know how many of the 5 or 6 percent that were listed as receiving relief were on W. P. A.

Senator HALE. They themselves may not have been getting relief, but some members of the family probably were getting relief.

Mr. ALTMEYER. I say, this 5 or 6 percent covers the families of the persons being aided under these three categories.

Senator TOWNSEND. Have you, or can we secure anywhere, the figures showing the number of persons who were being aided by the Government or States in the different methods?

Mr. ALTMEYER. Yes. That is information is already in the House record, and I think you have already asked Mr. Williams to incorporate it in this record.

Senator HALE. What is the maximum amount paid by the Government?

Mr. ALTMEYER. In the case of old-age assistance it is 50 percent, but not to exceed $15 per month in the case of any individual.

Senator HALE. Will you put in the record the list of States, showing how much comes from each State?

Mr. ALTMEYER. Yes, sir.

Senator HALE. Do most of them give the full amount?

Mr. ALTMEYER. No; very few do. I have not here the list of States, but I will put it in the record.

Statistics of public assistance under the Social Security Act for December 1937

NUMBER OF RECIPIENTS[1] OF PUBLIC ASSISTANCE FOR DECEMBER 1937

[Data corrected to Jan. 25, 1938]

States with plans approved by the Social Security Board	Old-age assistance	Aid to dependent children		Aid to the blind
		Families	Children	
Total	1,582,144	211,969	527,101	43,784
1. Alabama	13,968	5,120	15,149	350
2. Alaska	689			
3. Arizona	5,116	1,413	4,184	264
4. Arkansas	19,485	4,858	13,214	699
5. California	97,943	10,892	27,050	5,233
6. Colorado	34,250	3,294	8,625	579
7. Connecticut	14,131			
8. Delaware	2,888	459	1,074	
9. District of Columbia	2,963	1,238	3,672	182
10. Florida	22,893			(2)
11. Georgia	22,287	2,929	8,282	756
12. Hawaii	1,412	898	3,080	56
13. Idaho	8,123	2,309	5,475	281
14. Illinois	121,897			
15. Indiana	41,887	11,624	25,437	2,213
16. Iowa	44,414			125
17. Kansas	13,554	2,717	6,929	417
18. Kentucky	35,046			
19. Louisiana	24,132	7,857	22,763	545
20. Maine	42	1,279	3,405	1,121
21. Maryland	16,250	6,347	18,025	578
22. Massachusetts	64,893	7,356	18,685	997
23. Michigan	63,318	11,547	27,077	551
24. Minnesota	62,778	4,484	11,649	486
25. Mississippi	15,576			
26. Missouri	76,365	(2)	(2)	
27. Montana	11,438	1,613	3,860	
28. Nebraska	25,763	3,953	9,395	551
29. Nevada	1,396			
30. New Hampshire	3,592	357	998	293
31. New Jersey	25,372	10,849	24,433	547
32. New Mexico	3,712	1,321	3,901	199
33. New York	102,926	26,463	55,036	2,278
34. North Carolina	20,976	4,054	12,080	1,821
35. North Dakota	7,247	280	936	87
36. Ohio	104,614	10,448	28,049	3,757
37. Oklahoma	69,392	14,054	32,632	1,962

[1] The number reported in each column is the number of individuals whose applications for public assistance have been approved formally. This number is less than the total number of persons in households receiving public assistance under the Social Security Act. For other statistical information for December see the section of the Social Security Bulletin entitled Public Assistance, Statistics for the United States, published by the Social Security Board, Bureau of Research and Statistics, Division of Public Assistance Research.

[2] Federal funds available but no payments made for this month.

Statistics of public assistance under the Social Security Act for December 1937—Con.

States with plans approved by the Social Security Board	Old-age assistance	Aid to dependent children		Aid to the blind
		Families	Children	
38. Oregon	12,963	1,010	2,310	420
39. Pennsylvania	95,504	16,985	43,041	11,016
40. Rhode Island	5,697	856	2,443	
41. South Carolina	13,260	1,621	4,875	501
42. South Dakota	13,261			
43. Tennessee	13,393	6,695	19,193	596
44. Texas	113,703			
45. Utah	11,589	2,516	6,152	248
46. Vermont	5,214	336	752	151
47. Washington	35,515	6,455	13,821	993
48. West Virginia	18,659	5,290	15,582	758
49. Wisconsin	37,816	9,589	22,331	1,988
50. Wyoming	2,842	603	1,506	165

AMOUNT OF OBLIGATIONS INCURRED FOR PAYMENTS TO RECIPIENTS OF PUBLIC ASSISTANCE FOR DECEMBER 1937[3]

States with plans approved by the Social Security Board	Total	Old-age assistance	Aid to dependent children	Aid to the blind
Total	$38,708,356	$30,789,323	$6,799,001	$1,120,032
1. Alabama	226,028	154,535	68,000	3,493
2. Alaska	19,675	19,675		
3. Arizona	180,066	128,932	44,975	6,159
4. Arkansas	235,117	178,228	50,520	6,369
5. California	3,889,151	3,244,261	393,298	251,592
6. Colorado	1,474,510	1,356,757	101,419	16,334
7. Connecticut	371,691	371,691		
8. Delaware	45,655	31,238	14,417	
9. District of Columbia	137,997	74,067	58,901	4,729
10. Florida	364,459	364,459		(2)
11. Georgia	293,140	218,349	65,645	9,146
12. Hawaii	56,535	19,527	35,888	1,120
13. Idaho	242,044	176,093	59,579	6,372
14. Illinois	2,060,003	2,060,003		
15. Indiana	1,039,947	670,128	328,583	41,236
16. Iowa	881,869	878,898		2,971
17. Kansas	336,641	251,086	77,004	8,551
18. Kentucky	343,758	343,758		
19. Louisiana	410,222	239,508	163,778	6,936
20. Maine	72,885	978	47,533	24,374
21. Maryland	499,491	283,581	204,178	11,732
22. Massachusetts	2,282,502	1,812,902	449,912	19,688
23. Michigan	1,666,964	1,200,816	451,819	14,329
24. Minnesota	1,396,349	1,234,814	152,374	9,161
25. Mississippi	70,394	70,394		
26. Missouri	1,042,820	1,042,820	(2)	
27. Montana	278,987	233,938	45,049	
28. Nebraska	541,122	429,570	100,781	10,771
29. Nevada	38,676	38,676		
30. New Hampshire	100,042	80,595	13,443	6,004
31. New Jersey	790,455	453,132	325,189	12,134
32. New Mexico	82,249	45,525	33,580	3,144
33. New York	3,751,278	2,454,171	1,245,116	51,991
34. North Carolina	284,736	194,714	64,423	25,599
35. North Dakota	133,136	121,677	9,931	1,528
36. Ohio	2,878,120	2,416,977	390,573	70,570
37. Oklahoma	1,298,536	1,042,255	223,088	33,193
38. Oregon	323,603	277,967	35,209	10,427
39. Pennsylvania	3,002,609	2,080,842	592,196	329,571
40. Rhode Island	148,534	104,529	44,005	
41. South Carolina	186,342	146,341	33,241	6,760
42. South Dakota	243,459	243,459		
43. Tennessee	310,383	178,523	122,944	8,916
44. Texas	1,538,247	1,538,247		
45. Utah	387,940	296,821	84,773	6,346
46. Vermont	81,979	73,244	6,269	2,466
47. Washington	1,040,544	814,937	191,384	34,223
48. West Virginia	389,182	261,495	114,361	13,326
49. Wisconsin	1,135,172	753,991	337,422	43,759
50. Wyoming	83,412	60,199	18,201	5,012

[2] Federal funds available but no payments made for this month.

[3] Amount of payments to recipients from Federal, State, and local funds, administrative expenses excluded. For other statistical information for December see the section of the Social Security Bulletin entitled "Public Assistance, Statistics for the United States," published by the Social Security Board, Bureau of Research and Statistics, Division of Public Assistance Research.

Statistics of public assistance under the Social Security Act for December 1937—Con.

AVERAGE AMOUNT PAID TO RECIPIENTS OF PUBLIC ASSISTANCE FOR DECEMBER 1937 [3]

States with plans approved by the Social Security Board	Old-age assistance	Aid to dependent children	Aid to the blind
Total	$19.46	[4] $32.08	$25.58
1. Alabama	11.06	13.28	9.98
2. Alaska	28.55		
3. Arizona	25.20	31.83	23.33
4. Arkansas	9.15	10.40	9.11
5. California	33.12	36.11	48.08
6. Colorado	39.61	30.79	28.21
7. Connecticut	26.30		
8. Delaware	10.82	31.41	
9. District of Columbia	25.00	47.58	25.99
10. Florida	15.92		0
11. Georgia	9.80	22.41	12.10
12. Hawaii	13.83	39.96	20.00
13. Idaho	21.68	25.80	22.68
14. Illinois	16.90		
15. Indiana	16.00	28.27	18.63
16. Iowa	19.79		23.77
17. Kansas	18.52	28.34	20.51
18. Kentucky	9.81		
19. Louisiana	9.92	20.84	12.73
20. Maine	23.29	37.16	21.74
21. Maryland	17.45	32.17	20.30
22. Massachusetts	27.94	61.16	19.75
23. Michigan	18.96	39.13	26.01
24. Minnesota	19.67	33.98	18.85
25. Mississippi	4.52		
26. Missouri	13.66		
27. Montana	20.45	27.93	
28. Nebraska	16.67	25.49	19.55
29. Nevada	27.70		
30. New Hampshire	22.44	37.66	20.49
31. New Jersey	17.86	29.97	22.18
32. New Mexico	12.26	25.42	15.80
33. New York	23.84	47.05	22.82
34. North Carolina	9.28	15.89	14.06
35. North Dakota	16.79	35.47	17.56
36. Ohio	23.10	37.38	18.78
37. Oklahoma	15.02	15.87	16.75
38. Oregon	21.44	34.86	24.83
39. Pennsylvania	21.79	34.86	29.92
40. Rhode Island	18.35	51.41	
41. South Carolina	11.04	20.51	13.49
42. South Dakota	18.36		
43. Tennessee	13.33	18.36	14.96
44. Texas	13.70		
45. Utah	25.61	33.69	25.59
46. Vermont	14.05	18.66	16.33
47. Washington	22.95	29.65	34.46
48. West Virginia	14.01	21.62	17.58
49. Wisconsin	19.94	35.19	22.01
50. Wyoming	21.18	30.18	30.38

[3] Amount of payments to recipients from Federal, State, and local funds, administrative expenses excluded. For other statistical information for December see the section of the Social Security Bulletin entitled "Public Assistance, Statistics for the United States," published by the Social Security Board, Bureau of Research and Statistics, Division of Public Assistance Research.

[4] Average per family.

Senator TOWNSEND. Where can I find that in the House record?

Mr. ALTMEYER. It is on pages 60 and 61.

Senator TOWNSEND. Thank you.

Senator ADAMS. All right, Mr. Altmeyer; we are very much obliged to you.

STATEMENTS OF W. W. ALEXANDER, ADMINISTRATOR, AND C. B. BALDWIN, ASSISTANT ADMINISTRATOR, FARM SECURITY ADMINISTRATION

Senator ADAMS. Mr. Alexander, I think what we require from you is a statement as to how much of this money you are going to get, how badly you need it, and what you are going to do with it if you get it.

Mr. ALEXANDER. There is an understanding that there will come to us, if this appropriation goes through, $30,000,000 additional; $5,000,000 of it to be used for direct relief, and $25,000,000 of it to be used for additional loans in our rehabilitation program.

Senator ADAMS. In your rehabilitation program?

Mr. ALEXANDER. Yes.

Senator ADAMS. Which is a relief program?

Mr. ALEXANDER. Yes, but it is relief largely by loans, rather than by grants.

Senator ADAMS. You are the only agency in the Government that is making direct grants now?

Mr. ALEXANDER. Yes; I think that is correct.

Senator ADAMS. The only direct relief?

Mr. ALEXANDER. We are now carrying about 150,000 families on relief, and that number will probably increase to 175,000, and it may run up to as many as 200,000 families.

Senator BYRNES. Will you put into the record a list of the States in which you have made these direct grants, and the amounts?

Mr. ALEXANDER. Yes. We will insert a report in this record.

Senator BYRNES. I have it, but I thought perhaps this committee might like to have it.

TABLE 1.—*Grants certified, July 1, 1935–Jan. 31, 1938*

States	Number of payments	Amount of payments	Average payment
Alabama	10,522	$189,056.59	$17.97
Arizona	2,592	57,226.95	22.08
Arkansas	78,869	833,189.19	10.56
California	27,488	811,057.29	29.51
Colorado	69,283	1,347,203.11	19.44
Connecticut	130	3,822.50	29.40
Delaware	101	2,254.00	22.32
Florida	11,220	197,292.92	17.58
Georgia	34,953	467,470.40	13.37
Idaho	14,765	315,551.25	21.37
Illinois	60,995	1,062,311.71	17.42
Indiana	7,743	136,174.72	17.59
Iowa	38,464	690,118.61	17.94
Kansas	270,250	4,575,731.04	16.93
Kentucky	110,385	1,484,664.05	13.45
Louisiana	9,422	130,869.02	13.89
Maine	1,133	32,389.68	28.59
Maryland	233	7,697.55	33.04
Massachusetts	382	11,039.57	29.90
Michigan	20,539	401,624.15	19.55
Minnesota	100,633	1,790,662.94	17.79
Mississippi	28,272	309,748.78	10.96
Missouri	276,501	3,872,957.51	14.01
Montana	100,937	2,236,797.22	22.16
Nebraska	233,517	4,386,452.81	18.78
Nevada	307	7,257.50	23.64
New Hampshire	493	16,562.06	33.59
New Jersey	1,609	46,056.95	28.62
New Mexico	14,398	261,025.25	18.13
New York	4,122	113,689.07	27.58
North Carolina	26,880	347,738.48	12.94
North Dakota	563,096	11,398,306.94	20.24

TABLE 1.—*Grants certified, July 1, 1935–Jan. 31, 1938*—Continued

States	Number of payments	Amount of payments	Average payment
Ohio	$29,157	$579,218.52	$19.87
Oklahoma	314,061	4,200,026.62	13.37
Oregon	13,358	261,669.04	19.59
Pennsylvania	2,474	63,305.95	25.59
Rhode Island	463	15,055.78	32.52
South Carolina	24,057	298,965.76	12.43
South Dakota	642,461	11,718,823.14	18.24
Tennessee	15,336	193,534.18	12.62
Texas	138,622	2,097,744.21	15.13
Utah	14,920	353,131.93	23.67
Vermont	927	21,557.50	23.26
Virginia	1,196	22,363.55	18.67
Washington	27,352	602,807.93	22.04
West Virginia	17,438	296,816.83	17.02
Wisconsin	126,360	2,597,871.41	20.56
Wyoming	22,848	559,678.63	24.50

Senator HALE. The $30,000,000 that you will receive is not out of new money?

Mr. ALEXANDER. It is not out of new money from this proposed appropriation.

Senator HALE. It is out of the reserve?

Mr. ALEXANDER. Yes.

Senator BYRNES. I have one other request to make. Will you put into the record a statement of the loans by States?

Mr. ALEXANDER. By States; yes.

Senator BYRNES. And can you tell us how those loans are being repaid?

Mr. ALEXANDER. Yes, sir.

Senator BYRNES. Will you show the amount repaid in each State?

Mr. ALEXANDER. Yes, sir; a total of more than $40,000,000.

Senator RUSSELL. I should like that table to show the average loan within each State, and the average grant.

Mr. ALEXANDER. Yes, sir.

TABLE 2.—*Loans certified, July 1, 1935–Jan. 31, 1938*

State	Amount	Average standard loan
Alabama	$6,292,827	$322.67
Arizona	683,028	661.09
Arkansas	5,981,843	272.36
California	4,226,233	1,028.95
Colorado	5,516,756	1,292.00
Connecticut	236,377	887.00
Delaware	40,427	543.21
Florida	3,009,472	303.51
Georgia	6,013,479	283.36
Idaho	2,425,788	740.72
Illinois	3,762,795	615.81
Indiana	2,818,567	503.51
Iowa	3,636,450	602.13
Kansas	6,744,063	575.88
Kentucky	2,318,516	279.41
Louisiana	4,757,066	286.37
Maine	2,452,825	810.99
Maryland	215,775	693.80
Massachusetts	373,453	885.86
Michigan	2,803,730	600.15
Minnesota	5,211,322	989.79
Mississippi	6,516,017	255.50
Missouri	6,709,341	447.34
Montana	3,169,481	1,247.84

TABLE 2.—*Loans certified, July 1, 1935–Jan. 31, 1938*—Continued

State	Amount	Average standard loan
Nebraska	$6,791,832	$697.71
Nevada	400,221	996.83
New Nampshire	632,779	793.34
New Jersey	794,766	842.24
New Mexico	2,470,440	408.31
New York	1,955,287	828.22
North Carolina	4,293,851	323.00
North Dakota	4,916,594	542.31
Ohio	3,239,731	450.44
Oklahoma	7,259,565	249.07
Oregon	1,887,936	630.56
Pennsylvania	1,406,728	737.94
Rhode Island	142,362	851.06
South Carolina	4,492,694	230.44
South Dakota	6,658,287	530.00
Tennessee	2,393,272	319.47
Texas	15,788,817	234.93
Utah	3,004,469	772.17
Vermont	622,484	921.92
Virginia	2,315,699	315.60
Washington	2,718,194	861.38
West Virginia	2,673,267	373.16
Wisconsin	4,419,006	840.63
Wyoming	2,468,198	1,149.85

TABLE 3.—*Table of rehabilitation loan collections as of Dec. 31, 1937*

Alabama	$2,749,438.24	Nevada	$92,974.35
Arizona	154,029.83	New Hampshire	127,933.06
Arkansas	2,226,283.97	New Jersey	183,942.26
California	841,358.21	New Mexico	598,236.89
Colorado	1,423,940.47	New York	314,585.80
Connecticut	70,212.84	North Carolina	1,804,621.34
Delaware	8,981.90	North Dakota	357,317.64
Florida	797,257.28	Ohio	654,375.06
Georgia	2,606,107.70	Oklahoma	1,367,590.84
Idaho	652,142.50	Oregon	402,849.51
Illinois	494,733.45	Pennsylvania	179,735.14
Indiana	513,278.45	Rhode Island	33,487.28
Iowa	379,182.02	South Carolina	1,955,499.68
Kansas	1,141,078.00	South Dakota	477,360.28
Kentucky	468,295.08	Tennessee	714,366.36
Louisiana	1,575,708.21	Texas	5,078,718.47
Maine	667,965.42	Utah	697,112.27
Maryland	56,371.04	Vermont	175,957.77
Massachusetts	96,608.70	Virginia	711,517.59
Michigan	647,012.29	Washington	752,506.99
Minnesota	1,045,054.68	West Virginia	389,816.22
Mississippi	2,881,342.89	Wisconsin	1,065,034.09
Missouri	1,050,523.90	Wyoming	480,711.02
Montana	421,811.64		
Nebraska	1,055,633.56	Total	42,640,602.12

Senator RUSSELL. I notice here, in a letter from one of the organizations of unemployed that appears in the House hearings, that they say that the average relief benefit for the entire country was $23.75 a month, and for rural areas $14.39 a month per family, and in Georgia $3.35 a month per family. Is that approximately correct?

Mr. ALEXANDER. We never make grants as low as that, Senator. Our grants have averaged, I think, this year, about $20 a month. They are slightly lower in the South than they are in the Great Plains region, where the question of fuel is more serious.

Senator RUSSELL. I realized that there would be some differentiation, but that seemed rather drastic.

Senator HALE. These people are on direct relief?

Mr. ALEXANDER. About 150,000 families are on direct relief. understand that we gave relief to about 108,000 in January.

Senator TOWNSEND. 108,000 thousand families?

Mr. ALEXANDER. 108,000 families. Perhaps some of those that had a grant in December did not have a grant in January, but will have to have a grant in February. We are counting those to whom we have given grants this winter. It does not mean that each family is getting a grant every month.

Senator HALE. And when you give these grants, they amount to about $20?

Mr. ALEXANDER. Approximately that; an average of about $20.

Senator RUSSELL. Who determines who is to receive the grants, Doctor? Do you determine it?

Mr. ALEXANDER. We cooperate with whatever certifying agency there is in the county.

Senator RUSSELL. That is what I want to get at.

Mr. ALEXANDER. Sometimes it is the county commissioner; sometimes it is the local relief agency. In Georgia, I believe it would be the department of public welfare. If there is no relief agency operating in a rural district where there is a definite need we make an independent investigation of the need.

Senator TOWNSEND. Are those grants made in cash?

Mr. ALEXANDER. The grants are made in cash; yes, sir.

Senator TOWNSEND. Then they may spend the grant for anything they elect to spend it for?

Mr. ALEXANDER. The grant is made on the basis of a budget, which includes only the family necessities.

Senator TOWNSEND. I understand; but when they get the cash they may spend if for anything they want to, may they not?

Mr. ALEXANDER. They might; but a hungry man is not going to spend it for luxuries.

Senator NYE. Suppose a grant were made to a family of $20 for a month, and it was spent that month to meet an installment on an automobile, or to go on a tear, or to take a trip.

Mr. ALEXANDER. We probably would not make that family another grant.

Senator BYRNES. Do you check up on them to find out?

Mr. ALEXANDER. Oh, yes.

Mr. BALDWIN. As carefully as we can, Senator Byrnes, when we are handling that amount of money.

Senator HALE. Do you make loans to the same people to whom you are making grants?

Mr. ALEXANDER. Not while we are making grants; but in North Dakota, where we are carryign 60 percent of the farm families in one group of counties, we shall have to carry them on grants until there is a chance for them to make a crop, and that depends on the rain. When there is a chance for them to make a crop, we will make them a loan, and start them on a crop, and help them get on their feet again.

Senator HALE. I spoke awhile ago about the figures given me by Mr. Taber. Those figures included the loan list; did they not?

Mr. ALEXANDER. I can give you the figures for the loans, the number of people to whom loans have been made.

Senator HALE. All right; I should like to have that information.

Mr. ALEXANDER. We have given loans to about 578,000 farm families since we started operations.

Senator HALE. How long a time does that cover?

Mr. BALDWIN. Since July 1, 1935.

Senator HALE. Of those loans, what proportion has been paid?

Mr. ALEXANDER. About $42,000,000; almost one-half of the amount due, has been repaid.

Senator HALE. That is, the loans amounted to how much?

Mr. BALDWIN. The loans amounted to about $164,000,000 to date, sir.

Senator HALE. And about $40,000,000 has been repaid?

Mr. BALDWIN. As a matter of fact, I have a later figure than that. The total loans amounted to $170,000,000, and, of that ,$42,000,000 has been repaid; but a lot of them are not yet due. Approximately 50 percent of the amount due has been repaid.

Senator HALE. Fifty percent of the amount due. As a rule, are they keeping up their interest payments?

Mr. BALDWIN. They are keeping up their interest payments and paying on their principal, too, most of them; but they are not able in all cases to meet the loans as fast as they fall due. For example, that is true of the farmers in the northern Great Plains section.

Senator HALE. Is there a limit to the loans to any individual?

Mr. ALEXANDER. No; there is no limit except need.

Mr. BALDWIN. There is no statutory limit. Our average loan is about $300.

Senator HALE. Do you take any security for those loans?

Mr. ALEXANDER. We took whatever security was available.

Senator HALE. Security of the land, or of the crops, or what?

Mr. ALEXANDER. Not on the land, but on the farmer's crop and on his animals and everything else.

Senator HALE. Have you foreclosed in any cases?

Mr. ALEXANDER. Yes; we have foreclosed in some cases.

Senator RUSSELL. If the man had any land that was not under lien, he could not get a loan; could he?

Mr. ALEXANDER. No; you understand, Senator Hale, if a family can get adequate credit from any other agency to enable them to make a crop, we do not give them a loan. We have an agreement with the Farm Credit Administration that we will check with them on these people, and if they can get a loan there we do not give them the loan. We loan only to people who cannot get adequate credit for their crops from any other agency.

Senator RUSSELL. And necessarily you had a very poor credit risk in the case of most of your loans. You had little or no security?

Mr. ALEXANDER. Yes, sir.

Senator OVERTON. What do you do with the uncollectible loans?

Mr. ALEXANDER. We do not yet admit that any of our loans are uncollectible. We are continuing to try to collect all the loans we have made.

Senator TOWNSEND. But the Government finally holds the bag, if it is held by anyone; does it not?

Mr. ALEXANDER. The Government loaned the money; yes.

Senator OVERTON. Where they are 2 or 3 years delinquent, and have not paid, what do you do?

Mr. ALEXANDER. We would not continue to help a family of that sort. If they were perfectly hopeless, we would foreclose and take what we could get.

Senator OVERTON. Do you undertake to deduct the amount of your loan from any benefit payments?

Mr. ALEXANDER. Oh, yes; that is taken into consideration.

Senator OVERTON. Is it actually deducted?

Mr. ALEXANDER. It is not always deducted; no. We try to deduct it. It is a very difficult thing to do. We work as closely as we can with the A. A. A.

Senator OVERTON. How do you make a distinction between those that you deduct and those that you do not deduct?

Mr. ALEXANDER. If we are able to get at the fellow when he gets his check, we do it.

Senator NYE. You are always able to get to him when he gets his check, are you not?

Mr. ALEXANDER. If we know when the check goes out; yes.

Senator NYE. Is not your determining factor there one of the deservedness of the farmer?

Mr. ALEXANDER. Yes. What we are trying to do is to rehabilitate the man and help him out to a time when he will get "on his own," and be able to go on without further help, and if dealing leniently with him at any one time will help him—not just start him down at the bottom again—if we can keep him climbing up the ladder, our interest is in his making progress toward self support.

Senator OVERTON. Does the A. A. A. make any deductions from you?

Mr. ALEXANDER. No.

Mr. BALDWIN. That matter is now under consideration, Senator Overton. I have a letter on my desk about it now. The mechanics of it is rather difficult to handle, and we have not yet decided whether or not we will request a set-off from the A. A. A. Ordinarily, we get our money from a client, a person to whom we have loaned money, at the time the proceeds from his crop comes in, rather than at the time he may get his benefit payments.

Mr. ALEXANDER. If it is a loan to a dairy farmer, we get it out of his milk check. Those are the most satisfactory loans we make, because he gets his money each month, and we get our repayments at the same time. If it is a man whose money comes in in the fall from his cotton crop, for example, we have to get it at that time.

Senator HALE. When you make grants of direct relief to these people is it your experience that it lowers their morale to take them.

Mr. ALEXANDER. It does not lower their morale as much as to go without the relief. I think a family's morale is lowered less if the children are being fed something than if they are undernourished. I think the loan is much better than the grant. I do not think the loans lower their morale. We have many evidences that the loans build up their morale, and have done a great many of them a great deal of good in that regard.

Senator NYE. In that connection, have any considerable number of borrowers from the Resettlement Administration or the Farm Security Administration left the area which is most largely utilizing the services of your office?

Mr. ALEXANDER. Do you mean the northern Great Plains, the Great Plains generally?

Senator NYE. Yes.

Mr. ALEXANDER. Yes. I cannot give you the figures as to how many have gone. Some of them have gone.

Senator NYE. What have they done—just left their collateral there for the Farm Security Administration to pick up and do with it as they can?

Mr. ALEXANDER. Yes. In some instances.

Senator NYE. That is going to occasion considerable loss; is it not?

Mr. ALEXANDER. Yes.

Mr. BALDWIN. We have collected only 10 percent of the money that is due us in North Dakota, and only 11 percent in South Dakota. That is one reason why our loan record as a whole, our percentage of maturities, is as low as it is.

Senator NYE. Is it true that half of your loan and grant load is confined to those two States, or approximately that amount?

Mr. ALEXANDER. It is true of our grant load. It is not true of the loan load.

Senator NYE. Is that largely confined to given sections of the two States?

Mr. ALEXANDER. Yes, sir; some 20 counties in the western part of North Dakota, and a similar number in South Dakota.

Senator TOWNSEND. Have you any knowledge as to where those farmers have gone?

Mr. ALEXANDER. Yes.

Senator TOWNSEND. Where?

Mr. ALEXANDER. Most of them have gone to the Pacific Northwest and into California and Idaho. Some few of them have come back this way; but generally speaking, it is a westward movement of population.

Senator TOWNSEND. Have you any record of what they have started to do?

Mr. ALEXANDER. Yes. A certain number of them have gotten on farms and are making good. I was out there last spring, and saw a great number of these families in the drought region to whom we had given loans. They are a resourceful sort of people. There are now about 25,000 of those families that are camping, living in tents on ditch banks out in California, in a terrible condition. They are the most recent comers. There is an additional number that have been there long enough to qualify for relief under the State laws. These 25 or 30 thousand families have been there less than a year, and they are in a very dreadful condition.

Senator HALE. Do you cover all parts of a State, or do you simply cover those parts which are adjacent to where you are doing resettlement work?

Mr. ALEXANDER. We have an agent in each county, or some one who goes into each county, so that we are in touch with the entire area.

Senator HALE. In all States?

Mr. ALEXANDER. Yes.

Senator TOWNSEND. Are they in your employ?

Mr. ALEXANDER. Yes.

Senator TOWNSEND. What are they paid?

Mr. ALEXANDER. The women average around $1,400 a year. No; I do not know whether the women average that much or not.

46941—38——5

Mr. BALDWIN. They average about $1,300. Our supervisors over the country average approximately $1,500 a year.

Senator HALE. Are they taken from the relief rolls?

Mr. ALEXANDER. No, sir; they are technically trained people who are qualified to help these people who are in difficulty with their agriculture.

Senator HALE. And you operate in all States?

Mr. ALEXANDER. Yes.

Senator TOWNSEND. How many employees have you in the field?

Mr. BALDWIN. At the present time we have about 8,500 employees in the field, and less than 1,500 in Washington.

Senator TOWNSEND. And their job is to find out the needs of the people and try to help the people?

Mr. BALDWIN. Yes.

Senator TOWNSEND. You have 8,500 in the field?

Mr. BALDWIN. That is right.

Senator BYRNES. Dr. Alexander, let me ask you a question, please. The question was asked about States paying, and you said that in North Dakota about 10 percent paid; was that it?

Mr. ALEXANDER. Yes.

Senator BYRNES. And in South Dakota how many?

Mr. ALEXANDER. Eleven percent.

Senator BYRNES. Have you noted any disposition on the part of people holding official positions in either one of those States, or in any other State, to encourage the people not to pay?

Mr. ALEXANDER. No. I think there was such a disposition in one State, perhaps.

Senator BYRNES. What State?

Mr. ALEXANDER. I am inclined——

Senator NYE. Mr. Chairman, I know there is a hesitancy here on the part of some to speak, perhaps, in my presence; I appreciate the exceeding courtesy of the shrouded question, but I wish you would speak frankly and then let me speak with equal frankness in defense of the people of my State.

Senator BYRNES. I have heard from another agency of the Government that the governor of one State has encouraged the people not to pay.

Mr. ALEXANDER. The Governor of North Dakota was reported to us, on what I think to be good authority, to have indicated to the people that they need not meet these obligations.

Senator BYRNES. What was the authority?

Mr. ALEXANDER. A Republican newspaper, as I remember.

Senator BYRNES. Did he ever deny it?

Mr. ALEXANDER. No; he did not deny it to our knowledge.

Senator BYRNES. How much did you collect in that State?

Mr. ALEXANDER. We collected about 10 percent, sir.

Senator BYRNES. What are you going to do? Are you going to continue to lend money to people when the Governor of the State asks them not to pay?

Mr. ALEXANDER. Senator Byrnes, I do not think the situation in North Dakota is due to that particular thing. Those people have not had a crop for a number of years. There has been continuous drought there. They had some crops on the east side of the State this year, but they have not had crops for a number of years elsewhere in the State. Some counties in North Dakota have not had a crop for 7 years.

Senator TOWNSEND. Do you think the Governor's statement had some influence with them?

Mr. ALEXANDER. No; I do not think it did. I do not think they could have paid anyway. They had nothing to pay with.

Senator BYRNES. What are you going to do next year when people have loans and they are unable to pay them? Do you make them loans again, or do you give them direct relief?

Mr. ALEXANDER. If there is a chance for them to make a crop, if there is enough moisture in the ground to promise a crop, and they have done the best they could, we will make them a loan to help them make a crop.

Senator BYRNES. Your people determine that matter from the crop outlook, then?

Mr. ALEXANDER. Yes.

Senator BYRNES. You take that into consideration?

Mr. ALEXANDER. Yes.

Senator BYRNES. How much did they pay in the previous year?

Mr. ALEXANDER. They have not paid for a number of years. I do not have the figures here.

Senator BYRNES. Then each year for a number of years they have not paid, but your people thought there was enough moisture in the ground to enable them to make a crop, and you loaned them money a second time, and they did not pay it; did you not?

Mr. ALEXANDER. We probably kept many of them on relief, and did not make them a loan.

Senator BYRNES. I am asking what you actually did. You say you "probably" did. What did you do?

Mr. ALEXANDER. I shall have to look at the figures and see how many loans were made. Most of them were kept on relief.

Senator ADAMS. If I recollect the terms of the governor's proclamation, and if Senator Nye does not mind my being literal about it it was here when we were considering the question of the extension of the seed loans; we had the correspondence before us at that time—the governor, judging from that correspondence, has not merely extended what might be called a moratorium, but he said, in addition to that in effect "If the Federal agent comes around to collect at your house, treat him like a chicken thief."

Mr. ALEXANDER. Senator Byrnes, a good many of these loans in North Dakota were emergency loans to enable a family to keep a milch cow and keep their teams, pending the time when they could get a chance to make a crop. A good many of these loans were that sort of loans.

Senator BYRNES. Yes; but if, as Senator Adams says, the Governor of the State says the collector is to be treated as a chicken thief, do you think he is going to try to make a collection? I know what happens to chicken thieves in my part of the country; and if the governor of the State, in charge of the enforcement of the law, says "You should treat officials of the United States Government as you would treat a chicken thief," that man is going to get hurt; and I am wondering whether your people are trying to collect under those circumstances.

Mr. ALEXANDER. Oh, yes.

Senator BYRNES. And I am wondering what use there is in continuing to try to help people if you are going to have that condition existing.

Mr. ALEXANDER. I admit that that is very discouraging, sir; but if you will go out there and look at those people, and see the condition they are in, you will realize that somebody will have to help them. They are on their backs.

Senator NYE. Mr. Chairman, I wonder if I would be pardoned if I were to make a statement at this time.

Senator ADAMS. We shall be glad to have it.

Senator NYE. It is not pleasant, by any manner of means, to face the facts that are presented here before the committee this afternoon. Mine is a very unpleasant task.

Had I known of the action hastily and quietly taken on the seed-loan bill some days ago, I should have been protesting then the action that proves unfair to a deserving people.

I am not in a position to enter any denials concerning what the executive of my State has chosen to do in connection with moratorium proclamations and chooses to give in the way of advise to farmers. I certainly do not want to be in the light of holding a brief for collectors who have gone out and, in an effort to make a record for themselves, have been brutally mean in some instances. But you cannot possibly understand the condition which prevails in certain sections of my State and neighboring States by reason of these continuing years of drought.

The counties with which the Farm Security Administration is dealing at the present time, the emergency counties, are counties which 15 or 20 years ago were entertaining a thriving, happy, contented, prosperous lot of people, who found that the country afforded them a return that they had hoped would always continue. They were a prosperous people. They were creating great wealth in that country. Today, by reason of these repeated years of drought, we have a situation which finds the entire surplus of these people having been expended in a tide-over program year after year. Without the aid of the Federal Government through the Farm Security Administration, through the Resettlement Administration, through seed loans, through the W. P. A., and other set-ups, I do not know what would have happened to those people.

Senator ADAMS. Senator Nye, may I interrupt to call your attention to the injustice that is done to the people of your State by officials taking the position they did take? In connection with the joint resolution extending the seed loans, the matter was presented here; and this proviso was included:

Provided, That loans under the foregoing appropriation shall only be made to borrowers, who, in the opinion of the Governor of the Farm Credit Administration, will undertake in good faith to repay such loans in accordance with their terms, and no such loan shall be made in any State unless the Governor of the Farm Credit Administration has reasonable assurance that State and local authorities will take no action which will encourage the borrower residing therein to evade payment of such obligation.

I call your attention to the fact that by doing that sort of thing your officials are doing gross injury to the people in your State.

Senator BYRNES. I want to know why such a proviso should not be added to this appropriation. We have the same situation.

Senator NYE. Mr. Chairman, I most earnestly hope that you will not do it. You seem to be taking the word of the attitude of one lone

individual—an executive of the State, to be sure—as being indicative of the mind and will of a people whose purpose is wholly contrary to that. However desperate may be the condition of these people, I know they would like nothing better than a return to a normal condition that would give them a chance to meet these obligations. They would like to afford a complete satisfaction; and no one is speaking for them or speaking their mind when it is suggested that they ought to deal in any other than an honorable way with those to whom they owe money.

Mr. ALEXANDER. Senator Adams, I think it is only fair to North Dakota to call attention to the fact that about the same situation regarding payments prevails in South Dakota, and there has been no disposition on the part of the public officials of South Dakota to do the sort of thing you have referred to here. I think these farmers are doing the very best they can. I do not believe they have been affected by this thing. I think they will come through with repayments when they can.

Senator BYRNES. You cannot tell me that people will not be affected by the statement of their Governor that they need not pay. Do you think it helps your collectors for the Governor to tell people they need not pay?

Mr. ALEXANDER. No; I do not think so.

Senator BYRNES. If so, I should say we might ask all the Governors to advise people not to pay.

Mr. ALEXANDER. No; I would not intimate that at all.

Senator ADAMS. That was not all. They went on in their statement to say frankly to the people that they would not be in any danger from the courts, because they would see that the courts in the State did not enforce collections by the Federal Government.

Senator BYRNES. You think it is fine to shoot people like chicken thieves, do you?

Mr. ALEXANDER. I think you have every right to be indignant at that.

Senator BYRNES. Of course if you think it is fine to send agents out to a State where the Governor tells the people to treat your agents like chicken thieves, we get an idea of the kind of enforcement you would like.

Senator ADAMS. Is there anything else?

Senator NYE. I should like to continue for just a minute from the point where I left off when interrupted.

The question was asked me this afternoon by Senator Russell, of this committee, why in the world people are staying out in our country as they are staying through these drought years. Again I say, if you could know more of their situation you would understand. Through these prosperous years—and they have had many of them— they have developed a large and justified faith in the country. Whether or not this is a cycle we have been through, so far as rainfall is concerned, remains to be seen. There are authorities who tell us now that we are on the upturn; that this has only been a repetition of a period tracing back 70 years which was on a par, so far as drought is concerned, with the past few years.

Why do not these people leave after all these years? Everything they possess in the world is tied up right there in the home place. If they are to leave, where are they going? Will they go into the cities

to add to the relief population there? Or will they go West, as many of them have done? Dr. Alexander has told of the experience of a few who are successfully operating agriculturally now in the West; but those are rate cases. The great bulk of those who have been driven from the country and have gone to the Pacific coast and to Idaho today have only added to the numbers on the relief rolls in those communities; and I am constrained to believe they would be far better off had they stayed where they had a roof over them, and a place to call home, which they do not have any more.

I appreciate the attitude of members of the committee. If this situation prevailed in any other State than my own, and not in my own, I think I should be inclined to criticize very severely the situation which had developed; but I wish I might somehow prevail upon you, my colleagues, to understand that we have there in my State of North Dakota as honorable and as well-meaning a people as you have on the farms in your own States. They are mighty appreciative of the hand that the Federal Government has extended. Give them half a chance, and they will demonstrate to you how much they have appreciated it.

I say again that I hope the voice of one lone man, even though he be the executive of a great State, is not in this case going to be accepted as the voice of the whole State, or any considerable part of it.

I am sorry to have had to say this. I appreciate the opportunity, Mr. Chairman, given me, and earnestly beg that your committee refrain from writing into this relief bill any proviso such as was written into the seed loan bill by the House committee.

Senator RUSSELL. I had inquired of the Senator from North Dakota why people continued to live in the areas where drouths had continued to recur from year to year. From his explanation I can understand why these people are loath to leave.

It is very apparent that these people are confronted with a very serious problem, and it appears to me that it is most unfortunate that adequate Federal assistance should be endangered by such an unreasonable position on the part of a high State official. I have enough trouble in my own State in securing any Federal aid with the cooperation of the Governor and all of the State officials, and I am amazed that you have been able to get a dollar of benefits of any kind for your State and your people under such circumstances.

Senator ADAMS. I think that is all, Mr. Alexander.

Mr. ALEXANDER. Thank you, Senator.

Senator NYE. There is one question, Mr. Alexander. Referring to the proviso which was written into the joint resolution in the House yesterday, what would it do in your Farm Security work?

Mr. ALEXANDER. What do you refer to?

Senator NYE. The alien clause.

Mr. ALEXANDER. I do not think it would materially affect us.

Senator NYE. I have been amazed at the number of cases of people who, it appears, have not realized until now, when they need help, that they do not have citizenship.

Mr. ALEXANDER. We have had no evidence of that among out folks. I do not think that situation would prevail among the farm people.

Senator RUSSELL. The language in the other bills has not affected your operations up to this time?

Mr. ALEXANDER. No, sir.

STATEMENT OF HARRY C. BATES, PRESIDENT OF THE BRICKLAYERS', MASONS' AND PLASTERERS' INTERNATIONAL UNION OF AMERICA

Senator ADAMS. What part of this joint resolution are you interested in?

Mr. BATES. I am interested in the whole measure, of course. I want to take up a little of the time of the committee in a discussion of the way this joint resolution affects the building-trades workers of the country.

Mr. Chairman and members of the committee: The joint resolution before your committee provides an additional appropriation of $250,000,000 for projects authorized in the Emergency Relief Appropriation Act of 1937.

A question of most vital importance to wage earners in the construction industry has arisen under the Works Progress Administration program and the issue must be given thorough judgment and consideration before the joint resolution is approved. Before I state the facts underlying this issue and present to you the views of the building-and-construction-trades department of the American Federation of Labor, I want to make it perfectly clear that I am not speaking in opposition to the additional relief appropriation now pending before Congress, and that the building-and-construction-trades department, as well as organized labor generally, has squarely supported this additional appropriation of funds.

My purpose is to state to you as a matter of public record a critical problem which has arisen as a result of certain abuses in the expenditure of work-relief funds, and to recommend that the joint resolution be perfected by means of an amendment to give the workers the needed protection from these abuses.

Senator TOWNSEND. Are you going to specify where those abuses are?

Mr. BATES. Yes, sir.

The issue is twofold. (1) During the past year the Works Progress Administration has extended its activity to include in its projects the construction of buildings which call for the work of a large number of building mechanics, helpers, and laborers. These projects include the building of schoolhouses, fire stations, libraries, and other public buildings which have thus far been constructed by building labor through regular employment under contract.

(2) In building these projects the Works Progress Administration maintains no rules, standards, or requirements which would insure sufficient skill and training on the part of the worker to qualify him for the proper performance of the job, nor terms and conditions equivalent to those maintained as a result of long experience on building projects constructed by the Public Works Administration or maintained in private industry.

In the early part of 1935, Mr. Harry Hopkins, Administrator of W. P. A., met in a conference with the committee representing the building trades department of the American Federation of Labor to discuss the work-relief program and the problems of its administration arising on the projects which involved buildings and other construction. At that time, Administrator Hopkins assured our committee that no public buildings would be constructed by W. P. A.,

that the funds for the construction of public buildings would be allocated to P. W. A., and that the construction would be carried out in full conformity with P. W. A. terms and conditions. The procedure agreed upon in that conference and the policy laid down and officially stated by Administrator Hopkins has not been carried out, as is shown by the fact that a large number of large buildings have been constructed directly by W. P. A., under its own procedure and regulations.

How is a skilled mechanic who has to be employed on a building project assigned to work under the W. P. A. procedure? The assignment of jobs is done by the Division of Employment of W. P. A. from among workers on relief rolls. A worker certified by the United States Employment Service is referred to the Division of Employment, which furnishes to the Division of Employment his name and relief number. The applicant is then questioned about his experience, training, and ability; and any statement that the applicant may make is accepted for the purposes of his classification. The only test of the worker's continuance on the skilled job to which he is assigned is the judgment of the foreman as to whether or not he is suitably skilled for the purposes of the particular type of work on the project. In many instances the foreman himself may not be a mechanic of sufficient skill to pass valid judgment on the qualifications of mechanics working under him. But even apart from that, high standards of construction performance can hardly be expected under the procedure which relegates to the judgment of the foreman the entire test of the efficiency of the worker's skill and training.

Careful examination of the W. P. A. employment procedure will show that there are no fixed employment requirements with regard to skill on W. P. A. projects. Let me quote from section 1, chapter 13 of W. P. A. Procedure, which covers procedure applicable to selection and occupational classification of workers on projects of W. P. A.:

> Selection of certified workers for assignment to all projects which are financed in whole or in part from funds appropriated by the Emergency Relief Appropriation Act of 1937 shall be the duty of the Division of Employment, and, insofar as possible, workers shall be assigned to jobs for which they are best fitted because of their previous training, experience, and ability. The regulations as prescribed in sections 1, 2, and 3 of chapter 12 shall be followed in determining those persons to be selected.

You will note that the regulations prescribed in sections 1, 2, and 3 of chapter 12 do not contain a single reference to skill and training requirements. They refer merely to the rules governing the employment of aliens, the number of nonrelief workers permitted, and so forth. The regulation contained in section 1, chapter 13, further states:

> The Division of Employment shall determine the proper occupational classification of all certified workers and shall keep a current occupational classification file on all certified workers for inventory and assignment purposes. Individual occupational classification record, Works Progress Administration Form 144–A revised, shall be used for this purpose.

It is important to know that the individual occupational classification record is the record made by the Division of Employment entirely on the basis of the interview with the applicant, in which he himself states the extent of his skill, ability, training, and experience.

It may be noted that a classification procedure has been established in New York to provide at least some measure of assurance that

skilled requirements are met on W. P. A. projects. But even this partial approach to the solution in New York leaves the bulk of the problem untouched there, and leaves the problem wholly unsolved throughout the rest of the country.

Aside from the question of classification, the Works Progress Administration requires that only building mechanics who are on relief rolls are employed on W. P. A. building projects. The building and construction mechanics throughout the country have undergone a long and exacting period of apprenticeship and training to attain the skilled qualifications which they possess. A great majority of these mechanics, helpers, and laborers have remained off relief rolls by their own efforts. They have often subjected themselves to privation rather than to become a public relief burden. Many have borrowed money, have drawn upon their savings and upon the assistance of their friends and relatives, and have borrowed money on their life-insurance policies in order to stay off relief rolls. They are proud of this record; but in the face of this patriotic affort on their part, is it fair not only to deny them employment on projects on which they are qualified to work, but to take this work away from them entirely by giving it to relief workers who have no skill, no qualifications, no training, and no experience to do the job properly? I think that the building worker is justified in protesting this procedure, because it threatens him not only with continued unemployment but also with complete elimination of the wage structure and working conditions which have been brought up through collective bargaining over a period of many years.

There are a number of compelling reasons from the point of view of labor why the P. W. A., rather than the W. P. A., should be given the responsibility for all construction work to be carried on with funds appropriated for relief purposes. One of these reasons is that the P. W. A. during the past 5 years has functioned as a construction agency. It has been set up primarily for carrying on construction work. Its purpose and its experience have been to plan and carry out a program of public works which labor hopes will be a permanent program. During the 5 years of its operation it has built up an efficient, experienced, highly specialized force of planners and engineers. It is thus in a position to carry on construction with the maximum benefits not only to labor but to the Government and to the public, and to make the best possible use of the money appropriated for relief.

When the W. P. A. was established, it was not intended that it would carry out a program of construction. Its function was to initiate projects all over the country to care for the unemployed whose resources were exhausted. A large portion of those unemployed were found in the group of the unskilled. Because this was so, the W. P. A. program from the beginning was directed in large part to work which could be done by the unskilled. That the W. P. A. has undertaken and carried out many valuable projects cannot be doubted. That it has been of invaluable service to workers all over the country can likewise not be doubted.

The value of its services does not, however, in any way imply that it should be entrusted with a building program which should be part of any permanent public works program established by the Government, and not part of a relief program which we sincerely hope will be temporary.

The P. W. A. has in its building program not only been exceedingly efficient, but it has in every way within its power protected the standards which workers in the building trades have established over a long period of time, and with great effort. It has recognized the power of the Government to destroy or to protect those standards, and has thrown its weight on the side of the established wages and working conditions. The W. P. A. has in some instances attempted to follow the same course of action; but in most cases it apparently has been determined to break down established standards of wages and working conditions, and to follow a course of action contrary to the interests of the building-trades workers. The decentralized nature of the W. P. A. program, and the great authority placed in the hands of State W. P. A. administrators, with little control from the Federal W. P. A., have made it more difficult for workers to maintain their established conditions.

One of the most serious abuses which the W. P. A. has permitted in its building program, despite the fact that it was supposedly limited in the construction work it would do, has been the attempt to do the work of skilled building tradesmen with unskilled labor. It is a recognized fact that the building trades industry in the past several years has seen a decline in employment equaled in no other industry. Hundreds of thousands of building-trades workers have been forced to depend upon the help given by their unions, upon their meager savings, or upon relief. Yet with this condition of serious, and I may say tragic, unemployment in the industry, the W. P. A. has initiated and attempted to carry out a training program to make skilled building-trades workers out of the unskilled workers, by training them on the job.

Federal Bulletin No. 19, issued as of July 25, 1935, contained the statement of policy adopted by W. P. A. regarding the training of workers on the job in progress. I am quoting directly from the bulletin:

DECENTRALIZED TRAINING ON THE JOB

It is recognized that many of the work projects will be of such a nature that initial training can best be given directly on the job by the foreman or supervisor to that proportion of the unemployed who will have had no previous experience in the jobs to which they will be assigned under the new program.

Persons may accordingly be assigned to conduct short intensive training programs for persons who will be used as foremen and supervisors in charge of work projects. Such training courses will deal with, first, the fundamentals of foremanship and supervision, and second, the special technique of training workers on the job.

The procedure of training workers on the job has been followed in Oklahoma and in a number of other States. It was practiced in the construction of schoolhouses, extensions, and additions to school buildings, community buildings, stadiums, fire houses, sewer-construction projects, sanitary projects, armories, and various other types of construction.

What is the result of this so-called training on the job? In Enid, Okla., in constructing a W. P. A. armory, 50 or 60 men were employed to do masonry work, but only one or two of those were competent mechanics. What does this mean in terms of cost? On the Enid, Okla., armory project, 60 men employed as bricklayers for a full week were laying approximately 50,000 brick. On the basis of a 40-hour week, this would mean approximately 200 bricks per man. The average production by a skilled bricklayer on similar work for the same time should be approximately 1,000 brick per day per man. Similar illustrations could be applied to show the extravagant cost of this procedure used on the building construction by W. P. A. on all skilled construction operations in various parts of the country. The question before your committee is the question that must be decided now; it is the question whether or not this economic waste which not only results in poor and improper construction but also undermines the entire structure of wages and conditions in the industry, will be sanctioned by Congress and given by our legislators their stamp of approval.

As a representative of the building-trades workers, I want to go on record as supporting a Government program of education and training of the unskilled, and of rehabilitation of persons who have long been unemployed. But I do not believe it wise or desirable to undertake such a training program when it will increase the number of persons attached to an industry in which such serious unemployment already exists as exists in the construction industry. A further objection to this method of training is that persons so trained cannot be considered qualified building construction mechanics. Yet they are partially trained, and thus are put in a position where they become a danger both to the standards of work and to the wages and working conditions of fully qualified building-trades mechanics. The P. W. A. has always refused to undertake this kind of training, and has recognized the conditions which exist in the construction industry.

Whenever we experience depression in this country we begin to talk of the necessity of establishing a permanent public works program. During the present depression we have for the first time taken the first steps toward the establishment of such a permanent program, through the P. W. A. I should be very much opposed to seeing that attempt given up through the transfer of construction work—which must form the backbone of a public works program—to a relief agency. While it is true, of course, that public works must be very closely connected with and be a part of a relief program, it should be a continuing program during both good and bad times, and should not be too closely tied up with a program of immediate relief. The W. P. A. is not prepared to establish and carry out a permanent public works program. The P. W. A. is. I see no reason, therefore, for permitting construction work to be made a part of the relief rather than the public works program.

There are already a number of Government agencies entrusted with programs which call primarily for building construction. Such a program of building construction has now been under way for several years. It is highly uneconomical and undesirable to add to the already existing agencies another agency which so far has not been primarily concerned with building, and which cannot in the future, by the very nature of its set-up, be primarily concerned with building. The agencies which have already been tried and have become experienced in the building program should be permitted to continue in that program. The W. P. A. should continue to give relief in projects which do not involve building construction, and which meet the needs of the predominantly unskilled workers.

As I have pointed out at the outset, the problem is of acute and vital importance to building mechanics and laborers throughout the Nation. It should be remedied by Congress at once. The building- and construction-trades department of the American Federation of

Labor submits that the remedy should take the form of an amendment to the joint resolution. I urge your committee to incorporate in the joint resolution the following amendment:

Provided, however, That whenever any part of the funds herein appropriated are allocated and expended on building or construction projects, such funds shall be transferred to P. W. A. and expended under existing P. W. A. regulations.

In conclusion, I want to make it perfectly clear that my statement and my recommendation reflect the wishes of organized labor throughout the building and construction industries, and of organized labor generally. It has been said in the press that a recommendation such as this may have been inspired by the Public Works Administration. Such statements are without any foundation whatsoever. We have not been in communication with any official at P. W. A. in formulating this proposal at any time or in any way. The proposal originated with the building- and construction-trades department of the American Federation of Labor, and has been supported by the American Federation of Labor and every organization affiliated with it. I want to incorporate in the record the following telegram sent by President Green of the American Federation of Labor and the officers of the building- and construction-trades department of the American Federation of Labor to every Member of the House of Representatives on February 15, 1938:

The American Federation of Labor and the building and construction trades department respectfully request that you support the following amendment to H. J. Resolution 596:

"*Provided, however,* That whenever any part of the funds herein appropriated are allocated and expended on building or construction projects, such funds shall be transferred to P. W. A. and expended under existing P. W. A. regulations."

WILLIAM GREEN,
President, American Federation of Labor.
JOS. A. MCINERNEY,
President, Building and Construction Trades Department.
HERBERT RIVERS,
Secretary-Treasurer, Building and Construction Trades Department.

On behalf of building labor and organized labor generally I urge your committee to give favorable consideration to the proposed amendment.

In addition to that, I want to read the following telegram:

FEBRUARY 17, 1938.

Hon. ALVA B. ADAMS,
Senate Office Building,
Washington, D. C.

The national legislative conference of the American Federation of Labor, which is composed of representatives of the 104 national and international organizations affiliated to the American Federation of Labor and which also includes the 21 standard railroad organizations, requests that the members of the Senate Appropriation Committee incorporate the following amendment in House Joint Resolution 596:

"*Provided, however,* That whenever any part of the funds herein appropriated are allocated and expended on building or construction projects, such funds shall be transferred to Public Works Administration and expended under existing Public Works Administration regulations."

This amendment does not interfere with the granting of relief, does not earmark any funds, but simply protects conditions built up after years of effort by labor organizations.

WILLIAM C. HUSHING,
Chairman, American Federation of Labor Legislative Conference.
GILBERT HYATT,
Secretary.

Charge A. F. of L.

There is one short article here which I should like to read for the benefit of the committee:

BUILDING TRADES UNIONS PROTEST TO MAYOR OF NEW YORK AGAINST W. P. A. CONSTRUCTION OF SCHOOLS

Building-trades labor is vigorously protesting to the mayor against the contemplated Works Progress Administration construction of schools in New York City. In his request for $180,000,000 of Federal funds to be used largely for Works Progress Administration work, two schools are mentioned, the first time, complete erection of such edifices has been contemplated under Works Progress Administration. The Building and Construction Trades Council has given the mayor an emphatic protest, which has been endorsed by various locals as well as employers' associations.

CHARGES OF WORKS PROGRESS ADMINISTRATION CHISELERS

The charge is made that workers on Works Progress Administration construction also work for private employers on their "off" time and thus deprive nonrelief mechanics of jobs. Typical of the protests is the following letter to the mayor from Bricklayers Union No. 1, of Brooklyn, a copy of which was sent to News and Opinion by its secretary, Arthur Bicknell.

"The membership of the Bricklayers' Union, Local No. 1, Brooklyn, N. Y., have recently been informed that the board of education of this city, in conjunction with the Works Progress Administration contemplated the erection of two public-school buildings in this city, said schools to be erected exclusively by the Works Progress Administration employees.

"The membership of this union is of the opinion that should such a procedure be carried through, it will be direct discrimination against the members of this local, who, possibly through no fault of their own, are unable to honestly establish a relief status, but who, at the time the schools are being erected may be sadly in need of a job in order to be able not only to support themselves and families, but as well to pay a tax bill, interest on a mortgage, or an insurance premium, which, owing to their thrift and diligence in the past, is a draw-back to them today.

"The situation as we see it has many angles, inasmuch as the Works Progress Administration worker, after completing his shift on the Works Progress Administration, has a right to enter private employment and invariably does so, returning to the Works Progress Administration when his shift starts again, and by so doing possibly deprives a man not on the Works Progress Administration of the opportunity to work. This fact cannot be disputed. On the other hand, should the Works Progress Administration proceed as planned, it will simply mean that a fence will be built around such projects, thereby depriving a man who is not on the Works Progress Administration, but who possibly may have been removed from same as 'nonessential—nonrelief,' of the right to seek or obtain work thereon, regardless of the fact that the door is still open for the Works Progress Administration employee to work in private industry during what is known as his vacation, often times at a wage scale lower that that paid by the Works Progress Administration for the same type of work.

"We, therefore, as members of this local union, and citizens of New York, vigorously protest any such action taking place."

MAYOR'S REPLY TO B. T. E. A.

This association also protested and received from the mayor the following reply which seems to indicate the Works Progress Administration school work may go ahead in spite of protest:

"The city will proceed with its normal construction work to the extent of its financial resources under the usual system of contract. Only on such projects which otherwise would not be constructed will we avail ourselves of Works Progress Administration.

"I appreciate your frankness in writing me. On the other hand I want to be equally frank and say that I expect the cooperation of all concerned. We have a difficult problem and we must work together on it."

Senator HAYDEN. The last correspondence there shows just where we are "between the devil and the deep blue sea." If the plan had been adopted which was originally recommended by the President—that a security wage be adopted so that a man would get, say, $50

a month, and would have to work a month to get it—he would not then have had spare time to go out and compete with the union man. But, instead of that, the thing was switched over so that he receives the same hourly wage that a union man would get for that much work, and he works that many hours, and then he has the rest of the month to go out and compete with the union man.

You have a hard proposition there, whichever way you look at it.

Mr. BATES. You should stop the W. P. A. from letting him work on W. P. A. any more if he goes out on private industry and gets a job. Why do they not remove him from the rolls?

Senator HAYDEN. The theory is that they are very glad to have him go and get this other work, because it helps to support him and his family. What I am getting at is that whichever angle of it you take it is tough. If you adopt the security wage, and make the man work a month for the $50, then you have spoiled the union hourly rate, because he is working for an hourly rate which is less than the union hourly rate. On the other hand, if you make him work just the number of hours necessary to earn the $50, then he has time to go out and take a union man's job away from him.

Mr. BATES. When a W. P. A. man goes out and works in competition with a man who is not on the relief roll, he should be stopped from enjoying relief the next month.

Senator HAYDEN. There is something to that.

Mr. BATES. That could be very easily done.

Senator HAYDEN. It is pretty hard to check up on it, however.

Mr. BATES. It is not at all hard to check up on it. Our organization knows where he works. They have knowledge of it, and they report it.

Senator ADAMS. If he is not in need of relief, he should go right off the roll. There is no question about that.

Mr. BATES. They do not take him off.

Senator ADAMS. They should.

Mr. BATES. What the present program does is this: When the W. P. A. goes out and builds schools, it places the relief worker in a preferential class over a man who is just as badly off as the relief worker so far as employment, money conditions, and everything else is concerned. If you are going to build buildings in a community and have them built by handy men and unskilled labor, such as they are doing, and let the skilled mechanic who lives in that community stand on the sidewalk and watch these buildings go up, and he cannot get a job on them because he is not on relief and cannot get on relief, it is very unfair to him.

Let me tell you further how it works. They promised us that they would not do it, but here is what they have done in the past year and a half:

They find a city that makes a request for the approval of a W. P. A. project—it might be a school, or it might be a library—and in order that the W. P. A. will be free from any control of the skilled workers who work on that project, they will approve the project with the understanding that the city will furnish the material and take care of the wages for what skilled mechanics are necessary to be employed on the project. The sponsor of the project then will work the men on relief rolls who are unskilled mechanics and handy men along with one or two semiskilled mechanics who will go on the job and work under scab conditions. They complete those projects in a haphazard, unmechanical manner, and the man who pays taxes in that community

stands on the sidewalk expecting to get work on this school, and cannot get any kind of employment on it.

Senator ADAMS. I listened to the argument on that matter in the House yesterday. That argument was made there.

Mr. BATES. So far as we are concerned, we want relief for those men who need it, but we want the W. P. A. to stop building buildings and doing that work by unskilled labor and handy men.

Senator HAYDEN. I rather think the effect of the amendment would simply be that they would not turn anything over to the Public Works Administration. I have watched rival bureaus here in Washington for a long time.

Senator ADAMS. You have watched the cooperation between the departments?

Senator HAYDEN. And there is not any. If they are prohibited from spending money on a building, they are not going to give it to somebody else to spend. They are going to find some other way to spend it.

Mr. BATES. I want the committee to know that I am not injecting myself into any fight between the W. P. A. Administration and the P. W. A. Administration. I want the W. P. A. stopped from building buildings with handy men and unskilled labor at a wage scale less than the wage scale paid to building-trades mechanics.

Senator HAYDEN. So far as I am concerned, the chairman of this committee will certify that what I have tried to do around here is to keep the Public Works Administration alive. I did help to do that for 2 years. I am in thorough accord with you that if there is to be any kind of substantial work done in the United States, and we want to give the taxpayer his money's worth, the job should be let by contract, and the labor should be paid the union scale for doing the work. Then you will get a job that is a capital asset, and you will have something to show for it afterward. That is why I made a fight here for 2 years, and kept the W. P. A. alive for 2 years longer than it was supposed to be; but they finally put it out of the picture last year.

I am just talking about this as a practical matter. The effect of the amendment would simply be that there would not be a dollar turned over to them. That is the way it would work, just as surely as it could be. The War Department does not give the Navy Department any money. The Agricultural Department does not turn over any money to the Interior Department. If they get their hands on that money, they are going to find a way to spend it; and if they are prohibited from spending it in one way, they will spend it in another way.

Mr. GALLAGHER. Why cannot provision be made, Senator, that even if the W. P. A. did the work, they should do it by contract?

Senator HAYDEN. Their theory is, of course, that they have certain men who are certified to them by the relief authorities of the various communities who need work, and they are going to try to find work for them, and that those are the only men they can find any work for. So they say, "If we cannot find it on one job, we shall have to find it on another; but we are responsible only for persons certified to us on relief." So there would be no way, as a practical matter, to get any work for a union man out of this money if we should adopt that amendment. That is my guess. I am just judging by human nature.

Mr. BATES. All you have to do is to put that amendment in, and, if the W. P. A. does any work, let it be governed by the P. W. A.

regulations so far as the skilled mechanics are concerned. That is all we want. That is the solution of it. We are not asking that the money be earmarked and given to the P. W. A. All we want is, in the case of a school building that in the normal course of events would be erected by a community, and the men who live in that community would get the work, that they shall be governed by the regulations on public work that is done by the P. W. A.

Senator HAYDEN. I think your statement is perfectly sound; but the point I am trying to make is that they should not do anything that would otherwise be done. That is Mayor LaGuardia's answer that it is work that would not otherwise be done. If it is work that would otherwise be done in the normal course of building in a community, of course they ought not to have anything to do with it.

I have had this same controversy at home with reference to the purchase of equipment for road work, and things like that. There are road contractors who have equipment, and there are road contractors who employ union labor to do the work. If we buy road equipment for the W. P. A., and let them take that equipment and use it, it looks as though we are taking work away from men who normally engage in those trades, and from contractors who are normally engaged in the business. The answer they always give to us is, "The work we are doing is work that otherwise would not be done." That is where the whole argument is: Is it work that otherwise would not be done?

Mr. BATES. Well, I doubt it.

Senator HAYDEN. That is where we get to the crux of the thing.

Mr. BATES. I can picture the exact condition that exists in many, many cities; but I have not any desire to take up the time of the committee. I might say this, however:

In Atlanta, Ga., there are two schoolhouses being erected. The only persons employed by the W. P. A. in that city who are skilled mechanics are two members employed in a supervisory capacity. All the mechanics employed on this schoolhouse are handy men, or men who are not qualified, the greater majority of them. When these supervisors complain about that condition, and try to have these men placed on work that they can do—laborer's work—and have them removed from the skilled work, they are brought up on the carpet, and these men are put back to work, doing the work that the skilled mechanic should do, and the skilled mechanic is standing across the street and cannot get a job.

Senator HAYDEN. Jerry-built structures like that are liable to fall down some of these days.

Mr. BATES. That is not an exception to the rule. It is what is generally done.

I thank you, Mr. Chairman.

Senator ADAMS. We are much obliged to you.

STATEMENT OF MILLARD W. RICE, OF WASHINGTON, D. C., LEGISLATIVE REPRESENTATIVE OF THE VETERANS OF FOREIGN WARS OF THE UNITED STATES

Mr. RICE. Gentlemen of the committee, I certainly appreciate being given an opportunity to be heard at this late hour.

During the last session of Congress our organization, the Veterans of Foreign Wars, strongly advocated that there should be a preference to employment under the W. P. A. to American citizens.

Senator ADAMS. That is in the joint resolution; is it not?

Mr. RICE. That is in section 3 of the original public resolution No. 47; but in the House yesterday an amendment was added, proposed by Representative Lanham, which would tend to disrupt and destroy——

Senator ADAMS. That was not adopted.

Mr. RICE. Yes; it was adopted.

Senator ADAMS. In reference to taking preference away from American citizens?

Mr. RICE. Oh, no; but, I mean, it changes it in such a way that it is going to make eligible some two or three million illegally entered aliens.

Senator ADAMS. No; I think not.

Mr. RICE. Providing they have been here for 10 years or more. Then they would be eligible on a par with American citizens.

Senator ADAMS. I think not. Here is the proviso:

Provided, however, That no part of this appropriation shall be paid to any alien unless such alien has heretofore in good faith declared in the manner prescribed by law an intention to become a citizen or unless such alien has resided continuously and lived honorably in the United States since January 1, 1928, and is ineligible under the laws of the United States to become a citizen.

The only ones who are ineligible would be the Japanese and the Chinese and the criminals and the anarchists; so there is a comparatively small group.

Mr. RICE. That is the very plea we wish to make, Senator. The proviso is all right down to where it says "declared in the manner prescribed by law an intention to become a citizen"; but the last provision, particularly, we want to have go out.

Senator ADAMS. I think the committee understands the matter quite thoroughly.

Mr. RICE. I just want to call to your attention the fact that it would give a preference to illegally entered aliens. It restores a preference to those racially ineligible, and those illegally here who have been here 10 years or more. We want the joint resolution to contain the language that it contained before. If you wish to retain the first part of that language, we suggest that it be changed to read as follows:

Provided, however, That no part of this appropriation shall be paid to any alien unless such alien, at the time of the enactment hereof, was in possession of a valid declaration of intention to become a citizen of the United States.

And then cut off the rest of the provision, in the second "unless" clause. That is the thing we want. Then you would still retain the preference for American citizens. If you put in the second proviso, the second "unless" clause, you would be disrupting what is in section 3 of the bill enacted last June; and that we do not want done.

46941—38——6

Senator ADAMS. This committee put in the amendment which is now in the act; and, whatever may result in the conference committee, I have an idea that this committee in all probability will stand by what it has done before.

Mr. RICE. We devoutly hope that that is what you will do; and I thank you for this opportunity to be heard.

STATEMENT OF DAVID LASSER, PRESIDENT OF THE WORKERS' ALLIANCE OF AMERICA

Senator ADAMS. Mr. Lasser, you were given a hearing in the House, were you not?

Mr. LASSER. We applied to the House committee for a hearing, but we were refused a hearing.

Senator ADAMS. There is a letter here from you.

Mr. LASSER. That is a statement which we left with the President when we met with him.

Senator ADAMS. I do not know where it came from, but there is a statement of your views on the relief situation.

(The following letter was ordered incorporated in the record:)

NATIONAL HEADQUARTERS,
WORKERS ALLIANCE OF AMERICA,
Washington, D. C., February 16, 1938.

KENNEDY F. REA,
Secretary, Committee on Appropriations, United States Senate,
Washington, D. C.

DEAR MR. REA: Will you kindly bring this letter to the attention of the chairman of the Subcommittee on Deficiencies, and present our request for a hearing before the committee on the deficiency appropriation for Works Progress Administration, which will come to the committee from the House of Representatives?

We are bringing this to your attention now because of our unfortunate experience with the House Appropriations Committee, which refused to grant us a hearing and closed its hearings after two sessions during which it heard only representatives of the Government. We believe this procedure is entirely undemocratic and does not permit other points of view to be heard.

We hope that the Senate Committee on Appropriations will permit us to voice the views of the unemployed on what appropriation is necessary.

May we hear from you on what time it would be possible for us to appear?

Very truly yours,

DAVID LASSER, *National President.*

Mr. LASSER. There are a few additional remarks I should like to make, if I may, in view of the action which was taken by the House.

Senator ADAMS. On what part of the joint resolution?

Mr. LASSER. On the question of the amount.

Senator ADAMS. Go ahead.

Senator HALE. If you have a statement, please put it in the record.

Senator ADAMS. If it is in writing, we should be glad to have you put it in the record.

Mr. LASSER. All right; I will put this statement in the record. I should like, in addition, to put in the record a number of telegrams which I was going to read to the committee, which we have received from our groups, indicating the need that exists for jobs.

[The matter referred to appears at the end of Mr. Lasser's oral statement.]

Senator ADAMS. We have had before us today testimony which I am sure will go way beyond anything in your telegrams. This bill provides for the addition of over 500,000 jobs.

Mr. LASSER. That is horribly insufficient, and that is the reason why I am here.

Senator ADAMS. All right; put in your statement and your telegrams.

Mr. LASSER. What I want is to indicate to the committee our reasons for feeling that that amount is insufficient. Labor's Non-Partisan League, the C. I. O., and the Conference of Mayors, have all joined in asking for at least 3,000,000 jobs as the absolute minimum; and what we wish to do is to protest at this time against the committee taking any action which would not solve any problems, but would simply make a small dent in a large problem. We feel that a minimum of $400,000,000, as requested by the mayors, is necessary to provide a minimum of 3,000,000 jobs; and we are asking also that the Woodrum amendment be removed from the joint resolution. You are up against the present emergency of rushing this thing through in one day's hearings, and rushing it on to the Senate floor, because the Woodrum amendment is in effect. If there had been no Woodrum amendment, when this situation arose, you could have taken your time deliberately, and intelligently to determine actually how much was necessary, what the need was.

Senator ADAMS. Mr. Lasser, do not think we are doing this without careful hearings, because we have had a very full statement here, and a very full statement in the House committee.

Mr. LASSER. The only thing that we object to in this procedure is that you are hearing only one side of the picture. You are hearing what the Government, the administration, is asking for.

Senator ADAMS. We are listening to you, and we are taking your statement and your telegrams. We have heard everybody who has asked to be heard.

Mr. LASSER. I mean, the only protest I want respectfully to make is that we are given only a few minutes to hurry the thing through when we represent the very people whom this whole thing is about.

Senator ADAMS. No; you are not the only folks. The Government represents them all.

Mr. LASSER. It represents all the citizens, yes; that is true; but we are here as special pleaders for the group that this thing is concerned about. We feel that we do not have a full chance to present the case on this important issue; but I am very glad, in view of the circumstances, to present this material for the record.

Senator ADAMS. All right, sir.

Mr. LASSER. I do hope you will give careful consideration to this material. I know it is very difficult to consider it at this late date. You are in a sense adopting a penny-wise and pound-foolish policy by continuing to vote small driblets of money to a tremendous problem.

Senator ADAMS. It has not occurred to us that we are voting such small amounts, because we know the problem of raising the money to pay them.

Senator HALE. Do you not think the relief appropriations have been fairly sizable up to date?

Senator ADAMS. Do you know how much money we have appropriated in this committee for relief since we have been here? Nearly $15,000,000.

Mr. LASSER. That is right.

Senator ADAMS. Where I come from, that is a lot of money.

Mr. LASSER. It is a lot of money. We are the first people to say we hope a day will come when it will not be necessary to come and ask for 1 penny; but just compare that $15,000,000 with the billions which the American wage earners have lost in wages. Take, for example, what they have lost since Labor Day. We had a calculation made, and from then until February 1 they lost $900,000,000—these 3,000,000 people who were discharged. By July they will have lost two and a quarter billion dollars, gone in purchasing power, and you are not going to make that up by an appropriation of $250,000,000. Unless that money is made up, this thing is going to deepen and get worse. We met with the President last week and we discussed the question with him, and apparently this $250,000,00 is just a figure which has been arbitrarily arrived at, with no relation to the need.

Senator ADAMS. On the basis of the need figures given us today, the amount of $200,000,000 would do the job rather than $250,000,000. That is on the basis of the figures given us today. We are going beyond the figures of need given us by the Works Progress Administration. Their figures show that $198,000,000 would do the job.

Mr. LASSER. To employ how many people?

Senator ADAMS. Five hundred thousand people in addition to those who are now being employed.

Mr. LASSER. Their own figures were that 750,000 people now are desperately in need.

Senator HALE. They have already put 200,000 of them to work.

Senator ADAMS. They have put 200,000 of them to work.

Mr. LASSER. 200,000 of the 750,000?

Senator ADAMS. Yes.

Mr. LASSER. Since when was that? That was the testimony of Mr. Williams before the House committee the other day.

Senator ADAMS. He told us here, within an hour, that this amount of money would take care of all those in need in the country who are qualified. He is the expert. I am not. They have studied the matter, and we have to take their word for it.

Mr. LASSER. I am sure you are going to make a great mistake. Let me say this: Why not vote this money without the Woodrum amendment, and allow the President and the W. P. A. to use this money as it is needed? That would be an exhibition of confidence in the President and the Works Progress Administration. If you are taking their judgment on how much money is necessary, you should also take their judgment on how the money ought to be expended. If you had done that with the original law, this need could have been met by the President as the need arose.

Senator ADAMS. We are doing what the President asked us to do. We agree with you on that. He asked us for so much money and sent up certain bills that we are probably going to pass.

We are glad you came by.

Mr. LASSER. Thank you for the privilege.

Senator ADAMS. We are sorry to have had so short a time.

(The written statement and telegrams submitted by Mr. Lasser are as follows:)

STATEMENT OF DAVID LASSER, PRESIDENT OF THE WORKERS' ALLIANCE OF AMERICA

The Workers Alliance of American requests the Senate to increase the deficiency appropriation for relief to a total of $400,000,000 to make possible the employment of at least 3,000,000 Works Progress Administration workers for the remainder of this fiscal year.

We ask also that the unbearable and unjust restrictions against permitting aliens in this country legally to procure work on Works Progress Administration be removed, until such time as the requirements for citizenship can be liberalized and it is made economically possible for all unemployed aliens to become citizens.

We ask further that the Woodrum amendment be removed from the relief act and that the funds voted be used as required.

The testimony of Government officials before the House committee, as well as the speeches on this question in the House yesterday, corroborate our findings as to the extent of real need and the inadequacy of the $250,000,000 which has been voted by the House.

The present policy can only be characterized as "pennywise and pound foolish." It is only temporizing with a problem that means agony to millions of our citizens.

From all evidence we can gather, the sum of $250,000,000 represents an arbitrarily selected figure, arrived at with no special regard to the actual need.

To vote an arbitrary figure without relation to need is to say to unemployed Americans, "We will relieve your suffering and distress, help you to maintain your morale and courage, $250,000,000 worth. Even though this helps only one-sixth of the newly unemployed, even though it helps less than one-half of those already certified for Works Progress Administration and awaiting placement, we will not go beyond this arbitrary figure."

To refuse a higher appropriation in the face of demonstrated need is to say to needy Americans, "We want to save dollars at the expense of your health and well-being. We want you who are destitute to remain idle, to starve a little more, to suffer a little more humiliation, to wear less clothes, to suffer eviction from your homes."

To vote only $250,000,000 is to make it necessary for 300,000 of the 500,000 who will be taken on by Works Progress Administration to be discharged by the end of June. It is ridiculous and cruel to employ people in March and fire them in April, May, and June regardless of whether they are able to find private employment.

All evidence indicates that due to the severe depression in the rural areas, due the coming exhaustion of unemployment-insurance benefits, the need this spring will be fully as great as at present.

The Workers Alliance of America believes that $600,000,000 and 3,500,000 Works Progress Administration jobs are urgently needed. This has been the request also of such responsible organizations as Labor's Non-Partisan League and the Committee for Industrial Organization.

We urge that at the very minimum $400,000,000 be voted by the Senate, to provide a minimum of 3,000,000 Works Progress Administration jobs for the rest of this fiscal year.

We cite the following in support:

1. It is the minimum figure admitted necessary on the basis of the testimony of Aubrey Williams that 750,000 are now qualified for relief, in need and able to work. Further, hundreds of thousands of others are exhausting their resources and reaching the relief level.

2. It is further supported by the fact that on January 1 there were 1,388,000 certified for Works Progress Administration who had not been placed. Although some of these have been placed in the meantime, their ranks have been augmented even more by the 1,000,000 persons who lost their jobs during January.

3. President Roosevelt has stated that at least 3,000,000 lost their jobs in the last few months. The $250,000,000 provides for only one out of every six. The $400,000,000 would take care of one out of three.

4. The United States Conference of Mayors, after a careful survey of need in some 60 urban and rural areas, estimated that $400,000,000 for 3,000,000 Works Progress Administration jobs is immediately needed.

5. Most of the important social work organizations in close touch with the problem have estimated 3,000,000 Works Progress Administration jobs as the minimum contribution of the Federal Government.

6. The present recession will deepen and spread unless the void created by the loss of wages of those made unemployed is filled. This direct loss of those made totally unemployed since Labor Day is already $900,000,000. It will total $2,250,000,000 by July 1. The sum of $250,000,000 will do little to fill this void.

The Workers Alliance of America asks in addition that those employed on Works Progress Administration be safeguarded against the loss of their Works Progress Administration employment if they cannot find jobs in private industry at prevailing wages. We ask that an amendment to that effect be added to the appropriation.

At the very minimum the Woodrum amendment should be repealed. We have had already the diastrous effects of this amendment. If it had not been in force, it would have not have been necessary for the administration to run in this haste for additional funds. The moneys available now could have carried until at least April 15 on the basis of an enlarged program and the question as to how much additional was needed could have been considered more deliberately and more intelligently.

Now, the House Deficiency Act continues the throttling Woodrum amendment. This means that irrespective of the developed need there will be a strait jacket on the expenditure of these funds. That is unwise, illogical, and inhumane.

We ask that whatever funds are voted be used as in accordance with the demonstrated need, and that if additional funds are required later a request be made for them.

We are opposed to the antialien clause because it disregards the equally dire human needs and desire for work of persons who came here when this nation and its industries required additional labor supplies and who thereafter did labor and help develop the wealth and industries of this country, we are opposed to it also because it will result in additional hardships for all Americans who need the aid of a Government work and relief program.

First, these antialien clauses add to the red tape and difficulty involved in securing Works Progress Administration jobs. Native and naturalized Americans are burdened with the obligation to prove citizenship. In many cases this is difficult and sometimes where records have not been kept or where they have been destroyed by fire, earthquake, floods and hurricanes, such records are unavailable.

Secondly, many of the aliens who would be excluded from benefits of this program are the heads and sole supporters of American families, husbands or wives of American citizens, parents of American-born children.

Thirdly, failure to secure citizenship is, in most cases, due not to unwillingness but to unreasonable provisions or interpretations of naturalization laws. For example, "failure to meet educational requirements" is listed by the United States Department of Labor as constituting "an exceedingly large group—about one-fourth" of those who apply for but are denied citizenship. And with respect to this the United States Department of Labor states, "No other group of objections exhibits the wide disparity of views between the various courts and naturalization officials." Migratory employment which prevents required residence qualifications, low income which makes naturalization fees a hardship, discrimination because of opposition to unions on the part of some judges, are some of the many other reasons why many decent, useful alien workers are unable to qualify for citizenship under present laws and regulations.

In the case of the specific amendment under consideration, citizens and aliens alike will be subjected to additional harassment by thousands of local Works Progress Administration officials who may employ these provisions to delay assignment of persons against whom they may be biased for political or personal reasons. Native and naturalized citizens may be required to show proof of citizenship. Aliens may be excluded because a given official chooses to use some pretext for arguing that in a given case a person otherwise qualifying cannot qualify as having "lived honorably."

By imposing the additional task of checking each applicant's claims to citizenship, such provisions serve to greatly increase the overhead, administrative cost of the program and may thus result in the expenditure of more money than would be involved by the decent, humanitarian act of providing employment to the relatively few aliens who would be aided if the benefits of this program were extended to them.

ST. PAUL, MINN., *February 10, 1938.*

DAVID LASSER,
President, Workers Alliance of America, Washington, D. C.:

Of facts available, Biggers' report gives best picture of actual conditions. State direct relief load January, 45,000, one-half employable; 31,500 urban cases received $32.97 average; 13,500 rural cases, $22.48 per case. Need for increased Works Progress Administration wage indicated by 69 counties out of 87 in State giving $117,000 for supplemental relief to inadequate Works Progress Administration wages in December. Sixty-fifty State minimum wage would help rural counties now suffering most from lack of funds. Three thousand three hundred and eighty-three drought-relief cases December, over two-thirds employable. Relief per case, $20.29. Federal grant to aid to dependent children should be put on same basis as old-age assistance. Low-cost housing basic need to State. Rural relief generally terrible; won't certify to Works Progress Administration, as this indicates relief need. Won't give relief, as county or town has no funds. State relief funds about 10 million short, due to State reactionary senate blocking Benson's program. As local relief officials certify to Works Progress Administration, reasons above indicate why incorrect picture always given to National Government. Summer job and relief needs predicted higher than ever before. See my letter to Roosevelt at time of his St. Paul speech. Present needs are 100,000 Works Progress Administration job quota. Jobs for single men and women in county of residence. No forced camp assignments. More "white collar" jobs. Expand and improve N. V. A. Christgau and Becker, head of music project, are liabilities to Roosevelt and handicap to organizational work. Should be replaced with New Dealers. Substantial Federal help only way left to prevent continued misery. Wide support even among conservatives for Federal Government and big business to bear full burden of unemployment and relief.

CHESTER WATSON, *President, W. A. M.*

GREAT FALLS, MONT., *February 10, 1938.*

DAVID LASSER,
President, Workers Alliance of America, Washington, D. C.

Montana relief unable to provide for unemployed or keep up Works Progress Administration certifications. Situation serious. Need Works Progress Administration quota increase of at least 10,000 for State. Five hundred jobs needed for Great Falls. Twelve hundred forty-five for Butte alone. Must have Federal aid for direct relief and raise in security earnings to eliminate widespread suffering and starvation. Urge repeal of Woodrum amendment and passage of Schwellenbach-Allen resolution.

W. M. DAVEY,
President, Montana Workers Alliance.

SEATTLE, WASH., *February 10, 1938.*

DAVID LASSER,
Washington, D. C.

Seven thousand certified for Works Progress Administration since February 1. Works Progress Administration quota filled for State. Over 200,000 unemployed in State. Relief clients forced to wait from 1 to 6 weeks before getting relief. No rent being paid. Very little clothing. Medical treatment inadequate for unemployed and Works Progress Administration workers. Over 48,000 in need of relief in State. Forcing Works Progress Administration workers to work below classification. Those who refuse are dismissed for cause. Governor refuses call special session of legislature. Suffering and misery acute.

G. CANALLE.

LOS ANGELES, CALIF., *February 10, 1938.*

DAVID LASSER,
Workers Alliance of America, Washington, D. C.:

Works Progress Administration jobs available only through certification State relief administration, whose rolls 68,000 increasing thousand week. Twelve thousand applications pending, all employable, and denied Works Progress Administration jobs. Works Progress Administration claims State relief administration refusing certify. State relief administration claims insufficient suitable

projects. Both right. Single resident employables refused Works Progress Administration. Approximately 250,000 employable in State need, want, Works Progress Administration jobs. More projects needed Works Progress Administration. Must arrange direct certification and increased quota. Additional 70,000 transient families stranded refused any aid. Two thousand women just laid off, 3,000 more slated, Los Angeles. Sewing projects used contemplating 700 layoffs, Los Angeles. Unemployment rapidly increasing throughout State.

NORAL.

TAMPA, FLA., *February 10, 1938.*

DAVID LASSER,
Washington, D. C.:

Tampa cigar factories working 35 percent capacity; from five to six thousand unemployed in industry. No relief or Works Progress Administration work available, suffering unbearable. We ask that you request Roosevelt for an immediate appropriation to adequately meet this emergency.

CIGAR MAKERS INTERNATIONAL UNION, 500,
GEORGE SALAZAR, *President.*

GREAT FALLS, MONT., *February 10, 1938.*

DAVID LASSER,
National President Workers Alliance of America,
Washington, D. C.

Four hundred thirty one employables now on direct relief in Cascade County. Many more without jobs who have not yet applied for relief. We feel that an additional 500 jobs should be provided on Works Progress Administration to care for immediate needs.

HOMER WHITMORE,
Secretary, Cascade County Trades and Labor Assembly.

PORTLAND, OREG., *February 9, 1938.*

DAVID LASSER,
Workers Alliance of America,
Washington, D. C.

39,307 persons direct relief State December; 17,775 in Multnomah County increase in January, 9,845 county; no figures for January on State increase 2,000 clearances to Works Progress Administration waiting assignment in county; figures from State and county, officials direct relief $1 per person per week, situation very critical; no rent paid; fighting for fuel.

T. A. PHILLIPS.

ROXBURY, MASS., *February 10, 1938.*

DAVID LASSER
Workers Alliance, Washington, D. C.

One quarter State getting some kind relief. Only 7 percent on Works Progress Administration; 30,000 Boston relief; 20,000 Works Progress Administration; double total in desperate circumstances. Boston workhouse system jeopardizing trade union pay standards with $2 daily maximum for forced labor. We demand 100 percent increase Works Progress Administration Massachusetts including Federal project continuation.

DAN GOODHUE,
President, Workers Alliance Boston.

PITTSBURGH, PA., *February 10, 1938.*

DAVID LASSER,
Washington, D. C.

Sixty thousand unemployed Pittsburgh according to figures of unemployed Insurance Board. Ten thousand eligible for Works Progress Administration jobs according to Works Progress Administration relief authorities. Delegations of needy women and men are storming relief units in Pittsburgh district for last

2 weeks demanding food. Destitution and hunger widespread. Red tape restrictions a barrier to assistance of needy. Urge immediate Works Progress Administration and supplementary relief funds for State. Situation growing more desperate.

FRED CARRENA,
Chairman of County Committee of Workers Alliance.

CHICAGO, ILL., *February 10, 1938.*

DAVID LASSER,
Workers Alliance of America, Washington, D. C.

In Chicago 99,000 families on relief; 67,000 on Works Progress Administration; 35,000 on old age. Statistics reveal 75,000 trade unionists unemployed, 40,000 recently. Also at least 50,000 unemployed not on relief. Terrific relief breakdown pending. Direct Federal grant to Chicago our demand.

ROBERT FOLEY.

BIRMINGHAM, ALA., *February 9, 1938.*

DAVID LASSER,
Washington, D. C.

Relief applications increase, doubled January over December. Director states February indicates increased needy cases. State figures unavailable, concensus officials contacted, situation worsening. All urge President have Congress act without delay to increase appropriations immediately.

J. G. BURKE,
Jefferson County Workers Alliance, Alabama.

BUTTE, MONT., *February 10, 1938.*

DAVID LASSER,
Washington, D. C.

740 men certified for WPA; 505 in process of being certified; approximately 900 have not applied as yet for aid; all above men in Silver Bow County. Do what you can for raise in Montana quota.

SYLVESTER GRAHAM,
Chairman, Miners Union Relief.

NEW YORK, *February 10, 1938.*

DAVID LASSER,
Workers Alliance, Washington, D. C.:

One hundred and eighty-five thousand on home relief and 110,000 eligible for W. P. A. jobs. Applications for relief have increased from 2,000 to 6,400 per week with 50 percent usually accepted. Unemployment increasing, especially in shoe, furriers', radio and electrical, painters', and office workers' unions. Report 50 unions will parade through Wall Street Saturday, February 19, to protest role of 60 families in current recession. Unemployment, now estimated at 800,000 including dependents, affects 2½ million. State took away 2-percent utility tax for relief purposes and LaGuardia fears shortage in March. Evictions increasing and desperation more evident because of E. R. B. and W. P. A. retrenchment policies. Somervell antipathy to white-collar projects, teachers' research recreation, halted W. P. A. hirings in these fields. Everybody wants jobs not, relief. Let's go back to the C. W. A. principles and start off with a minimum of 100,000 additional W. P. A. jobs for New York City.

WILLIS R. MORGAN,
President, Workers Alliance, New York.

TOPEKA, KANS., *Feb. 9, 1938.*

DAVID LASSER,
National President, Workers Alliance,
Washington, D. C.

61,425 registered U. S. Reemployment office, 36,109 certified for W. P. A., 33,500 employed W. P. A. Certification rules too tight. 40 percent unemployed needing jobs declared ineligible. Direct relief standards far below decency, health. Federal funds needed to supplement local relief under Federal standards. Kansas should be raised to Region 1.

ERNEST F. MCNUTT,
State Secretary, Kansas Workers Alliance.

TOLEDO, OHIO, *Feb. 10, 1938.*

DAVID LASSER,
Washington, D. C.

Wired Roosevelt 10,000 Lucas County on W. P. A., 4,000 more certified waiting. Quota filled. 15,000 families on relief and thousands refused. All funds exhausted April 1.

MILDRED WARD.

MILWAUKEE, WIS., *February 9, 1938.*

DAVID LASSER:
Workers Alliance of America, Washington, D. C.:

Lay-offs continue in private industry, need additional 10,000 W. P. A. jobs immediately, relief situation acute, no relief for transients, no W. P. A. jobs given to single persons.

THOMAS F. LAPEAN.

SAN ANTONIO, TEX., *February 10, 1938.*

DAVID LASSER,
Washington, D. C.:

Census shows over 300,000 jobless in Texas, Texas W. P. A. quota 65,000. Demand 3,000,000 W. P. A. jobs and $15 relief grants to States. Surplus commodities only available relief here. Bexar County relief rolls reduced January 1938 from 4,092 to 2,516 at present. Fifteen thousand unemployed demand W. P. A. be extended to all needy regardless of citizenship in view that Mexicans form overwhelming majority in south Texas, they cannot be regarded as noncitizens.

EMMA TENAYUCA.

PHILADELPHIA, PA., *February 10, 1938.*

DAVID LASSER,
President Workers Alliance of America,
Washington, D. C.

Inform President Roosevelt as follows: In Philadelphia at present 70,000 cases relief, 30,000 applied unemployment compensation, 25,000 on W. P. A., 8,000 new W. P. A. jobs available, but city council holding them up. State relief administration piling up huge deficit; relief grants totally inadequate. Special request Philadelphia that W. P. A. furnish necessary material temporarily so jobs can start Federal Government assist State direct relief so grants can be adequate.

JOHN MULDOWNEY.

RICHMOND, VA., *February 9, 1938.*

WORKERS ALLIANCE OF AMERICA,
Washington, D. C.

Hundreds of workers waiting unemployment compensation, five, six weeks. Local relief roll crowded city State Works Progress Administration officials. Refuse employment until compensation turned down by commission. Works Progress Administration jobs are available. Understand order amended to give jobs until compensation starts if such is case will you see Works Progress Administration here notified.

HILLIARD BURNSTEIN.

TAMPA, FLA., *February 10, 1938.*

DAVID LASSER,
President, Workers' Alliance,
Washington, D. C.

Seventy thousand qualified unemployed in Florida, not more than one-third working Works Progress Administration. Ask Roosevelt for open quota and demand that Florida administration use it. Ask for 20 percent increase in lower brackets pay to meet rising prices of living. Ask that pay be made weekly instead of semimonthly.

E. F. POULNOT.

DETROIT, MICH., *February 10, 1938.*

DAVIS LASSER,
Workers' Alliance of America.

Twenty-seven thousand Works Progress Administration county; 35,000 direct relief; Detroit given unlimited quota as of yesterday; 10,000 to 15,000 to be added; 70,000 employables single people, youths, still cannot get on Works Progress Administration relief; 7 cents per meal. $150,000 given to direct relief by Works Progress Administration.

WALD.

TRENTON, N. J., *February 10, 1938.*

DAVID LASSER,
National President, Workers' Alliance of America.

New Jersey 250,000 persons on direct relief; 79,000 persons on Works Progress Administration, making a total 525,000 on some form of relief. Figures rising daily.

JOHN SPAIN, JR.

(Thereupon, at 6:10 p. m., the hearings were announced closed, and the subcommittee adjourned.)

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